SEQ	TITLE	<u>PBR</u>	HASC	SASC	<u>AUTH</u> <u>CONF</u>	HAC	<u>SAC</u>	APPN CONF	NOTES
				2222			<u> </u>	<u> </u>	
001	B-1B	\$154,254	154,254	154,254	154,254	144,254	119,000	139,254	
002	B-2A (MYP)	\$384,384	384,384	384,384	384,384	384,384	384,384	339,384	
003	F-15E	\$20,394	20,394	20,394	20,394	20,394	20,394	20,394	
004	F-16 C/D (MYP)	\$100,549	100,549	100,549	100,549	100,549	0	75,549	
006	C-17 (MYP)	\$2,472,914	2,472,914	2,188,614	2,168,614	2,007,314	2,472,914	2,168,614	
		6	4	6	6	6	6	6	
007	C-17 ADV PROC	\$189,900	47,475	189,900	189,900	189,900	189,900	189,900	
009	C-130H	\$49,975	49,975	49,975	49,975	49,975	31,575	31,575	
010	NON DEVELOPMENT AIRLIFT AIRCRAFT	\$103,707	550,000	150,000	103,707	103,707	0	0	
			4						
012	JPATS	\$123,265	123,265	123,265	108,265	108,265	78,265	93,265	
		3	3	3	3	3	3	3	
013	TANKER, TRANSPORT TRAINER SYS	\$155,163	145,163	155,163	155,163	145,163	155,163	155,163	
		32	32	32	32	32	32	32	
015	CIVIL AIR PATROL A/C	\$1,444	1,444	1,444	1,444	1,444	1,444	1,444	
		27	27	27	27	27	27	27	
017	E-8B	\$445,339	445,339	545,239	445,339	445,339	440,539	440,539	
		2	2	2	2	2	2	2	
018	E-8B (ADV PROC)	\$118,900	118,900	118,900	218,800	118,900	218,800	218,800	
018A	BOMBER FORCE UPGRADE PROGRAM	\$0	100,000						
018B	BOMBER INDUSTRIAL BASE/ENHANCED BOMBER CAP FUND			150,000	125,000		150,000	125,000	

019A

MOD OF IN-SERVICE AIRCRAFT

					<u>AUTH</u>			APPN	
SEQ	TITLE	<u>PBR</u>	HASC	SASC	CONF	HAC	SAC	CONF	NOTES
020	B-2A	\$65,136	65,136	65,136	65,136	65,136	65,136	65,136	
021	B-1B	\$45,583	45,583	45,583	45,583	30,583	45,583	40,583	
022	B-52	\$25,800	25,800	25,800	25,800	32,800	25,800	32,800	
023	F-117	\$11,190	11,190	11,190	11,190	11,190	11,190	11,190	
024	A-10	\$47,181	27,181	47,181	37,181	47,181	47,181	47,181	
025	F/RF-4	\$1,635	1,635	1,635	1,635	1,635	1,635	1,635	
026	F-15	\$201,100	201,100	201,100	201,100	186,100	201,100	186,100	
027	F-16	\$157,227	157,227	120,527	120,527	157,227	98,227	110,727	
028	EF-111	\$2,045	2,045	2,045	2,045	2,045	2,045	2,045	
029	F-111	\$5,012	5,012	5,012	5,012	5,012	5,012	5,012	
031	T/AT-37	\$1,416	1,416	1,416	1,416	1,416	1,416	1,416	
032	C-5	\$28,715	28,715	28,715	28,715	28,715	28,715	28,715	
033	C-9	\$6,784	6,784	6,784	6,784	6,784	6,784	6,784	
034	C-17A	\$6,108	6,108	6,108	6,108	6,108	6,108	6,108	
035	C-21	\$2,526	2,526	2,526	2,526	2,526	2,526	2,526	
036	C-22	\$5,108	5,108	5,108	5,108	5,108	5,108	5,108	

					<b>AUTH</b>			APPN	
SEQ	TITLE	<u>PBR</u>	HASC	SASC	CONF	HAC	SAC	CONF	NOTES
037	C-STOL	\$699	699	699	699	699	699	699	
038	C-137	\$1,415	1,415	1,415	1,415	1,415	1,415	1,415	
020	C.W.	\$14.50C	14.500	14.506	14.500	14.506	10.471	14.506	
039	C-141	\$14,506	14,506	14,506	14,506	14,506	10,471	14,506	
040	T-38	\$25,627	25,627	25,627	25,627	25,627	25,627	25,627	
041	T-41	\$185	185	185	185	185	185	185	
042	T-43	\$5,212	5,212	5,212	5,212	5,212	5,212	5,212	
043	KC-10A (ATCA)	\$18,073	18,073	18,073	18,073	18,073	18,073	18,073	
044	C-12	\$1,300	1,300	1,300	1,300	1,300	1,300	1,300	
		4-,	-,	-,	2,000	2,000	-,	-,	
045	C-18	\$2,131	2,131	2,131	2,131	2,131	2,131	2,131	
046	C-20 MODS	\$6,465	6,465	6,465	6,465	6,465	6,465	6,465	
047	VC-25A MOD	\$796	796	796	796	796	796	796	
048	C-130	\$77,041	77,041	77,041	77,041	77,041	73,541	77,041	
040	C 130	φ//,041	77,041	77,041	77,041	77,041	75,541	77,041	
049	C-135	\$103,440	107,440	86,740	60,940	77,640	71,740	77,640	
049A	KC-135 REENGINE				48,000				
					2				
050	E-3	\$137,570	117,570	137,570	137,570	137,570	137,570	137,570	
051		****	05.000	25.222	25.222	25.000	25.000	25.222	
051	E-4	\$35,230	25,230	35,230	35,230	25,230	35,230	35,230	

SEQ	TITLE	<u>PBR</u>	HASC	SASC	AUTH CONF	HAC	SAC	APPN CONF	NOTES
053	H-60	\$306	306	306	306	306	306	306	
054	OTHER AIRCRAFT	\$40,795	40,795	40,795	40,795	40,795	40,795	40,795	
055	DARP MODS	\$3,665	3,665	3,665	68,665	3,665	3,665	68,665	
056	CLASSIFIED PROJECTS	\$48,907	48,907	48,907	48,907	48,907	48,907	48,907	
057	TOTAL SPARES AND REPAIR PARTS	\$488,894	488,894	385,796	381,096	488,894	488,894	488,894	
058	COMMON AGE	\$225,845	201,845	225,845	201,845	225,845	225,845	225,845	
058A	DEPLOYABLE HYDRAULIC TEST AND REPAIR FAC	\$0	4,000	0	2,000	2,000	0	2,000	
059	INDUSTRIAL RESPONSIVENESS	\$52,511	52,511	52,511	52,511	52,511	52,511	52,511	
060	WAR CONSUMABLES	\$26,587	18,587	26,587	24,587	18,587	205,587	18,587	
061	OTHER PRODUCTION CHARGES	\$259,467	259,467	259,467	203,733	259,467	239,437	239,437	
062	DARP SUPPORT EQUIPMENT	\$196,886	196,886	196,886	196,886	196,886	17,886	196,886	
063	COMMON ECM EQUIPMENT	\$41,292	41,292	41,292	41,292	41,292	41,292	41,292	

***************************************

TITLE: B-1B APPROP: 3010

<u>APPN</u>			<u>AUTH</u>			
<u>CONF</u>	SAC	<u>HAC</u>	<u>CONF</u>	SASC	<u>HASC</u>	<u>PBR</u>
139,254	119,000	144,254	154,254	154,254	154,254	\$154,254

## **OUANTITY:**

DOLLARS:

#### HASC:

B-1 bomber

The committee notes the contribution to national security that the B-52 has made in a maritime role and believes that the Department should give serious consideration to the feasibility of assigning this role to the B-1B as a B-52 follow-on. Accordingly, the committee directs the Secretary of Defense to review the maritime role options for the bomber fleet, including the potential for the B-1B, and to report the findings to the congressional defense committees no later than April 15, 1995.

## **HASC**, p. 54

#### **SASC:**

Improving the bomber force and preserving bomber options

The committee has demonstrated a steadfast commitment over the years to supporting, and initiating when necessary, the programs needed to ensure a robust and effective bomber force, including the needed weapons. Thus, the committee has strongly supported the recommendations in the Air Force "Bomber Roadmap" of June 1992. This report identified a requirement for 184 total bombers, armed with precision conventional munitions, to deal with a single major regional contingency (MRC) in which an enemy armored force had begun a short-warning invasion of the territory of an ally.

The new Administration undertook a comprehensive review of future force requirements necessary to successfully deal with a variety of possible contingencies. This Bottom-Up Review (BUR) ultimately determined that the United States should retain the capability to deal with two "nearly simultaneous" MRCs. The BUR also called for a total force of 184 bombers, in order to provide "100 deployable" heavy bombers for each MRC. This analysis assumes that the highly-capable and stealthy B-2s would be shifted from the first theater to the second, once that second MRC began to unfold.

The BUR identified important roles for bombers armed with advanced conventional munitions. It concluded that, under many short-warning scenarios, long-range bombers and carrier-based tactical aircraft would be the only U.S. forces available early in a conflict to help a beleaguered ally defend itself against an invading armored force. This long-range offensive strike capability would be operational while U.S. ground and tactical air reinforcements were being deployed to the theater, and waiting for their required logistics chain to be established. U.S. reinforcements might have to "fight their way in" against future theater air and missile threats.

Viewed in the context of these demanding requirements, the committee finds the Department of Defense's bomber force posture and funding proposals unacceptable:

(1) The "Bomber Roadmap" and the BUR called for a force structure of 184 bombers, yet the budget request funds only 100 during fiscal year 1995, and only 80 thereafter. The committee believes this is inadequate to meet current and future requirements.

- (2) Four recent independent studies all find that the planned DOD force structure of 80 to 100 non-stealthy bombers with only 20 B-2s is inadequate to deal with two MRCs. DOD has been unable to offer a coherent and consistent explanation for these discrepancies.
- (3) DOD appears unwilling to consider options for interim precision weapons for bombers, preferring to wait until the end of the decade for the tri-Service standoff attack missile (TSSAM) and the joint direct attack munitions (JDAM) family of weapons. Should conflict be thrust upon the United States before then, the bomber force would have only "dumb" iron bombs available. The committee believes interim precision weapon capabilities for bombers are both feasible and an inexpensive hedge.
  - (4) DOD has settled on a force structure and modernization plan before it has completed numerous ongoing analyses and tests that bear on those plans:
  - (a) The Nuclear Posture Review, which includes bomber requirements for maintaining nuclear deterrence, is still ongoing. The Secretary of Defense has testified that the bomber review is "unfinished business."
  - (b) The independent Roles and Missions Commission is examining bomber force structure tradeoffs with other military forces. The Commission will not submit its report on force structure tradeoffs until next summer.
    - (c) An important test of B-1B bomber operational readiness has just begun; results will not be available before next spring.
- (5) The committee believes that, if DOD intends to reduce the bomber force level to between 80 and 100 non-stealthy bombers, then more than 20 B-2 stealth bombers will be required to meet the demands of a two-MRC scenario. Yet the final B-2 bombers are moving down the assembly lines, and more and more subcontractors and facilities are completing deliveries. The production base for bombers is rapidly disappearing.

Thus, the committee found itself with many unanswered questions as it addressed the current budget request. The committee decided to set in motion a process to ensure that DOD and the committee will be better prepared to address bomber requirement issues during the fiscal year 1996 budget cycle. To accomplish this, the committee directs specific actions in the following subsections in order to:

- (1) preserve all bomber force structure options for one year;
- (2) preserve the bomber industrial base for one year;
- (3) receive the results of further bomber force structure and effectiveness analyses prior to next year's defense budget deliberations; and
- (4) begin procurement of improved interim conventional weapons for bombers.

In summary, the committee recommendations would prevent DOD from retiring any B-52 or B-1 bombers this year, fully fund planned conventional upgrades for those bombers, preserve the B-2 industrial base for one year, initiate a program to acquire limited numbers of effective bomber weapons within the next two years, and direct numerous analyses to better prepare DOD and the Congress to decide future bomber force structure issues next year.

#### PRESERVATION OF BOMBER FORCE STRUCTURE OPTIONS

The committee has concluded that the planned bomber force level of between 80 and 100 is insufficient to meet current and future requirements, unless additional B-2 bombers are to be procured. Further, the ongoing Nuclear Posture Review is to address additional requirements for bombers to contribute to the maintenance of deterrence. The Roles and Missions Commission is to examine force tradeoffs including bombers. In other sections of this report, the committee also directs several independent studies of bomber issues. Therefore, the committee believes that all force structure options should be kept open at least through the next budget cycle.

First, the committee directs the Secretary of Defense not to retire any B-52H or B-1B bomber aircraft. All 95 B-52H and all 95 B-1B bombers (excluding one non-flying weapons-loading trainer B-1B aircraft) shall be retained, and any B-52H bombers transferred to Davis Monthan AFB before the date of this report shall

be promptly returned to the Air Force Air Combat Command, for incorporation in an expanded B-52H attrition reserve. The committee understands that \$18.0 million in operation and maintenance funds is required in fiscal year 1995 to retain all 47 B-52H aircraft in attrition reserve status. The committee adds O&M funds for this purpose.

Second, although the Air Force plans to retain 26 B-1B bombers in attrition reserve status through the period of the Future Years Defense Program (FYDP), it has not funded the incorporation of either the conventional weapons upgrades or the new ECM system on those B-1s. Third, the Air Force has seriously underfunded the conventional improvements and ECM upgrades on the active inventory of B-1B bombers. This underfunding results in a one-year delay in the introduction of the JDAM family of weapons and a six-year delay in TSSAM capability on the B-1B, relative to their incorporation on B-52H bombers. The B-1B ECM program is also under-funded, resulting in a delay in installation until 2003. This, for the Air Force's self-proclaimed "backbone of the bomber force."

In the next FYDP submission, the committee directs the Air Force to fully fund the bomber conventional munitions upgrade programs for both B-1 and B-52 bombers, including funds for full modifications to all bombers proposed to be retained, whether in the active inventory or in an attrition reserve category. The committee understands this requires no increase in fiscal year 1995 funding, but will increase FYDP funding requirements for the B-1B bomber by approximately \$70 million, if all 95 B-1B bombers are retained.

The committee recommends fully funding the respective budget requests for RDT&E and procurement for fiscal year 1995 for the B-52H, the B-1B, and the B-2 bomber programs.

#### PRESERVING THE BOMBER INDUSTRIAL BASE

The committee has received testimony from Air Force and other witnesses regarding the desirability of maintaining an industrial base for the production of bombers, as DOD already is implementing for submarines, naval nuclear propulsion, and the tank industrial base. The committee also is in receipt of testimony and recent studies on the contributions that additional B-2 bombers could provide in future conventional conflicts. The committee is also aware of a proposal by the Northrop Corporation to produce a variant of the B-2 bomber that would have only a conventional weapons capability. Deletion of items on the B-2 related to nuclear missions would reportedly reduce the unit flyaway cost of a conventional-only stealth bomber by some \$25-30 million per aircraft.

In view of the unsettled future requirements for heavy bombers, together with the additional studies and analyses of bomber force structure and industrial base options requested elsewhere in this report, the committee considers it prudent to recommend \$150.0 million in order to preserve a portion of the bomber industrial base for one year.

Funds appropriated pursuant to this authorization are to preserve tooling in ready status, preserve a production capability for spare parts within the lower-tier vendor structure, and develop detailed production plans for a conventional-capability-only B-2 bomber. Funds may not be used to procure any major structural B-2 item that would not be procured by the Air Force as an item of initial or sustaining spares. This recommendation would not authorize a twenty-second B-2 bomber; rather, it would allow DOD and the Congress time to gather further information on future bomber requirements, including industrial base requirements. Funds appropriated pursuant to this authorization would be exempt from section 131(d) of Public Law 103-160.

#### FURTHER BOMBER FORCE ANALYSES

The committee has directed bomber force structure questions to Department of Defense and other witnesses at more than a dozen hearings since the fiscal year 1995 budget request was submitted. The answers are, in totality, incomplete; many are inconsistent with others. The thrust of testimony from DOD witnesses is

SEQ NO.: 001-10P

I-7

inconsistent with the published results of the Bottom-Up Review, as well as with the Air Force's 1992 "Bomber Roadmap", and with recent detailed analyses carried out by major defense contractors such as Boeing and Rockwell, by "think tanks" such as the RAND Corporation, and by respected independent analysts.

DOD has not revealed its own detailed analyses supporting its decisions to sharply reduce the bomber force structure. Nor has it attempted to refute any of the studies noted above, all of which call for substantially larger bomber forces than proposed in the budget request. Results of several of the independent studies show that a heavy bomber force reduced to the size and composition that DOD proposes to fund would be inadequate to prevent major losses in the opening phases of a two-MRC scenario, and would run high risk of failure even in single-MRC scenarios.

Given these substantial and unresolved differences between the new DOD bomber force levels and those derived in widely-available outside analyses, the committee is reluctant to make the irrevocable commitment to a smaller bomber force that would be brought about by approval of the current budget request for bombers.

Accordingly, the committee directs the Secretary of Defense to reconstitute the independent review group originally mandated under section 121(e) of Public Law 101-189 for the purpose of reconciling the analyses of bomber forces conducted by the Department in support of the Bottom-Up Review and the recent analyses conducted by outside experts. The committee is seeking to understand how such striking differences in overall outcomes can arise-whether they are the result of different assumptions about numbers of targets, or about warning and deployment times available, or about munitions effectiveness. The review group should also pay particular attention to assumptions about the length of time required to establish full supply lines to theater-based forces in the presence of a theater ballistic missile threat. The committee directs the Secretary to ensure full access by the independent review group to models, personnel involved, and assumptions used in Bottom-Up Review analyses, including the illustrative scenario presented to this committee at a classified hearing on March 9, 1994. The independent review group should provide its analysis and results in both classified and unclassified form to the Secretary and the congressional defense committees not later than February 1, 1995.

Second, the committee urges the Roles and Missions Commission established by subtitle E of title IX of Public Law 103-160 to review thoroughly the capabilities of bombers and carrier-based air forces in the early phases of a short-warning MRC when enemy actions may constrain our ability to provide land-based tactical air power and ground force reinforcements. The committee believes that an important early contribution by carriers to the defeat of an armored incursion may reside in Navy combat air patrols (CAP) and suppression of organic enemy air defense assets (SEAD), allowing non-stealthy Air Force bombers to deliver large weapons payloads with improved survivability. Traditional tactical air support missions, such as CAP, SEAD, and jamming, may only be available from carriers until land bases can be secured and supply lines to the theater established.

The committee expects the Commission to also consider tradeoffs between more stealthy aircraft and fewer support assets such as those for CAP and SEAD, to reduce the deployment lift requirements, the personnel placed at risk in the theater of operations, and the extensive resupply requirements. The Commission should evaluate, in particular, the kinds of tradeoffs presented by the Air Force during testimony on the Department of Defense Authorization Act for Fiscal Years 1992 and 1993 (S. Hrg. 102-255, Pt. 7, p. 794).

The committee looks forward with keen anticipation to the recommendations of the Roles and Missions Commission, and hopes its findings will shed additional light on future bomber requirements in time for action on the fiscal year 1996 request. To ensure the Commission has adequate independent expertise, the committee also recommends a provision that would authorize the Commission to draw upon the capabilities of the Department's federally funded research and development centers during fiscal years 1994 and 1995, for up to \$20.0 million in assistance.

Third, by the Secretary's own admission, the need to maintain some sort of bomber industrial base was not well-analyzed in the BUR. The Congress has, on several past occasions, relied upon the RAND Corporation to examine sensitive aspects of the B-2 bomber program. The committee believes that this background and RAND's long experience in acquisition and industrial base research warrant its directing the Secretary of Defense to ask the RAND Corporation to conduct an independent analysis of the need for the Defense Department to provide some industrial base protection for future bomber production requirements, as it has already determined to be necessary for the submarine and tank industrial bases. The RAND analysis and recommendations for whether, and, if so, how, to preserve an industrial base capability for bombers should be provided to the congressional defense committees not later than March 1, 1995.

None of these outside efforts are intended to preclude the Secretary of Defense from continuing to evaluate bomber force structure and effectiveness options and tradeoffs; to the contrary, he is encouraged to do so. The committee hopes that the defense budget request for fiscal year 1996 and the accompanying FYDP will present a clear and coherent bomber roadmap to the Congress.

## "INTERIM" CONVENTIONAL WEAPONS FOR BOMBERS

There are several possibilities for adding interim precision weapons capabilities to existing bombers. All would be limited in numbers and higher in cost than the precision munitions-the JDAM family of weapons-now in development for deployment near the end of the decade. The initial JDAM weapon, a guided 2000 lb. bomb, will greatly improve bomber effectiveness against fixed targets. However, it is not well-suited to defeat armored formations. Apart from the TSSAM, which offers both anti-armor submunitions and standoff delivery, bomber capabilities against armored incursions will remain limited into the next decade. Current tactical munitions dispensers (TMDs) containing anti-armor submunitions require low-altitude direct overflight delivery; as the British Tornado experience during Operation Desert Storm makes plain, this is a costly delivery tactic. The Air Force has announced plans to develop a "wind-corrected TMD" containing an inertial guidance unit, to allow delivery with some standoff capability from medium altitude and above of anti-armor submunitions from a wide variety of fighter and bomber aircraft. Unfortunately, the Air Force has yet to identify funding requirements for this approach and the planned initial operating capability (IOC) is not earlier than the end of the decade. Thus, this approach will not provide an "interim" capability.

The interim weapons possibilities include the following: further conversions of the nuclear-armed air launched cruise missile (ALCM) to any of several improved conventionally-armed ALCM capabilities (CALCM); a limited purchase of additional GPS-aided munitions system (GAMS) R&D weapons being developed as part of the GATS/GAMS capability to be tested on both B-1 and B-2 bombers; and incorporation of brilliant anti-tank (BAT) anti-armor submunitions in a TMD for high-altitude bomber delivery against armored formations.

For the CALCM, there are three separate options, each with a different delivery date and cost: (1) a modest improvement on the CALCMs used at the beginning of Operation Desert Storm; (2) a major improvement including better stealth and a penetrating warhead capability; and (3) a more ambitious effort to incorporate various anti-armor submunitions (WAM, SFW, and/or BAT) in a significantly modified ALCM. Any of the CALCM versions would be deliverable by B-52s, B-1Bs and Block 30 B-2s, and would provide substantial standoff range for the non-stealthy bombers. The committee understands that ALCM missiles are in such over-supply that some 150 ALCMs have been sent to storage areas outside of main operating bases.

The GAMS options would continue the production of the weapon guidance kits beyond the 42 that will be required for the B-2 GATS-GAMS test program. Additional production of GAMS kits would provide additional test weapons for the B-2, and for the B-1B bomber if its radar is found suitable, providing a limited contingency stockpile of precision bomber weapons. Northrop has proposed to deliver 128 additional GAMs weapons kits starting in mid-1996, for \$25.0 million.

A third option is to explore delivery of the BAT submunition from a slightly-modified, unguided TMD, for delivery from medium altitude. The BAT submunition has a large target acquisition range and footprint, which could offset somewhat the effect of wind drift on a TMD descending from medium altitude. An interim approach using the BAT would be to test its capability in an unguided TMD to determine whether medium-altitude release of this weapon from a platform with self-contained precision target location capabilities (such as the B-2) could reliably place the unguided dispenser within the lethal range of the submunitions.

It appears this concept could be demonstrated and flight tested by mid-1996 for about \$25.0 million. If these tests were successful, interim BAT/TMD weapons could be available by late 1997.

Of the interim options discussed above, the committee considers all but the second CALCM option to be worth pursuing vigorously, under streamlined acquisition procedures to ensure early availability of interim weapons. Three hundred of the CALCM-I version could be delivered during the last half of 1996 and the first half of 1997 at a unit cost of less than \$200,000. If an early demonstration of the anti-armor version of the CALCM were successful, 300 CALCM-III weapons could be delivered in late 1997 and 1998, at a unit cost of about \$400,000. Therefore, the committee recommends \$40.0 million for modifications to demonstrate the capability to dispense anti-armor submunitions from a modified ALCM, develop in-flight targeting updates for a proposed CALCM-III missile, and begin conversion of existing ALCM missiles to the CALCM-I configuration. The Air Force is authorized to procure up to 100 CALCM-I missiles with the recommended funds. The committee expects the Air Force to request both adequate funds to demonstrate the CALCM-III concept, and to procure an additional 200 CALCM-I missiles in fiscal year 1996, so long as the contracted unit price per missile for a lot of 300 conversions remains below \$200,000 per missile, not including government-furnished equipment. The committee expects the Department to negotiate a firm fixed-price contract for the additional CALCM-I conversions.

The committee also recommends \$25.0 million to procure an additional 128 GAMS kits, in order to provide an interim capability for B-2 and, should GATS tests prove successful, B-1 bombers.

The committee further recommends \$25.0 million to conduct a flight-test demonstration of the possibility of delivering BAT submunitions with sufficient accuracy from an unguided TMD released from medium altitude.

The committee stresses to the Secretary of Defense the urgency it attaches to all of these interim weapons proposals, and directs him to ensure that these programs are carried out expeditiously, under streamlined acquisition procedures, and with a minimum of bureaucratic red-tape.

The committee observes that, even if all of the programs discussed above were successfully carried to fruition, the resulting inventory of interim precision weapons would be modest-no more than a few sorties per bomber. Therefore, the committee sees no need to increase the planned bomber force structure from the proposed level of 40 active B-52H and 60 active B-1B bombers, until such time as JDAM and TSSAM deliveries have increased the available precision munitions stockpiles.

Finally, the committee directs the Secretary to evaluate the recommendation by the RAND Corporation contained in testimony before the committee that the JDAM program be extended to include 1,000-lb. and 500-lb. iron bombs. The Secretary shall provide to the congressional defense committees a report on the cost-effectiveness of this action not later than April 30, 1995.

SASC, p. 54-61

HAC:

B-1B

The Air Force budgeted \$154,254,000 for continued support costs associated with the B1-B bomber acquisition program. The Committee recommends \$144,254,000, a reduction of \$10,000,000 to fiscal year 1995 budget request. The Committee notes that cost savings have resulted from the component breakout of the interim contractor support contract and makes this recommendation without prejudice.

**HAC**, p. 172

SAC:

#### COMMITTEE RECOMMENDED ADJUSTMENTS

Bomber cost effectiveness.-The plan put forward by the Air Force regarding its bomber force structure has left many in Congress with an uneasy feeling. While the "Bottom-up Review" suggested that 100 bombers would be required for one major regional contingency [MRC], the Air Force plans to maintain a fleet of only

108 bombers for two MRC's. The House responded to this plan by authorizing a bomber upgrade program. The Senate authorized additional funds for bomber industrial base and directed that the current bomber force structure be maintained. The Defense Department is apparently reconsidering its bomber force structure for the future in light of the unanswered questions raised by the Congress.

The Committee notes several inconsistencies in the Air Force plan. For example, while 48 B-1 bombers are to be combat coded, the Air Force plans to modify 72 with certain capabilities, all 95 with other enhancements and only 50 for other improvements. Second, the Committee questions the creation of an attrition reserve, believing that limited total resources will relegate these aircraft to hangar queen status rendering them ultimately useless.

The primary concern of the Committee is its belief that neither Congress nor the Defense Department has sufficient information to determine the required and most cost-effective bomber force structure. The Committee notes that several aerospace firms have conducted detailed research to measure the warfighting effectiveness of the planned Air Force fleet and most have found it wanting. A recent RAND analysis indicates that a force of 38 B-2's and 40 B-52's would provide a roughly comparable force in effectiveness to a fleet of 20 B-2's, 60 B-1B's and 40 B-52's, but would have more flexibility to meet two MRC's, and would be easier to employ operationally. The Committee notes the warfighting success of stealth fighters in Operation Desert Storm, using little ancillary support, and concludes that a cost-effectiveness analysis of all the alternatives could demonstrate that the overall capability of the stealthy B-2 overrides its high acquisition costs.

So too, the acquisition of a new conventional cruise missile for the B-1B might eliminate the need for this aircraft to penetrate hostile airspace, and, thereby, nullify the requirement to attempt to improve its fatally flawed electronic countermeasures systems. The cost effectiveness of this approach should be measured.

The Committee believes that the Air Force should refrain from taking any action which would prejudice the bomber force structure until a cost and operational effectiveness analysis can be completed which identifies the most cost-effective bomber force which can meet the two MRC objective. Therefore, the Committee directs the Office of the Secretary of Defense to contract with an outside entity, such as the Institute for Defense Analyses, to conduct such an analysis.

The analysis should focus on the total life cycle cost of all of the bomber programs, and measure different force levels of each program on its ability to meet the two MRC requirement. In discussing the life cycle cost, the study should include the costs associated with the support units-including fighter escorts, electronic warfare aircraft, and other such ancillary requirements-which would need to be acquired or upgraded, and operated and maintained to support the bombers in warfighting scenarios.

The Committee expects that the Defense Department can complete such a study in time for the congressional budget cycle for fiscal year 1996. In conjunction with this request, the Committee recommends inclusion of a general provision which would restrict the obligation of procurement and research and development funds for upgrading and modifying the bomber fleet until the report has been concluded.

The prohibition on the use of funds for new initiatives for bomber programs shall not apply to the administrative preparations for entering into the phase 2B contract for engineering and manufacturing development of the near precision weapons (joint direct attack munition and associated modifications) capabilities for the B-1B bomber under the B-1B Conventional Mission Upgrade Program. The permitted activities are issuing a request for proposal for this contract by the Air Force and discussions between the Air Force and potential contractors to define the cost, schedule, and scope of the work to be accomplished under the phase 2B contract.

SAC, p. 186-187

Bomber modernization funds.-The Committee recommendations fully fund the request for bomber modification and modernization programs. The bill which the Committee recommends to the Senate includes language which restricts the obligation of these funds until the requested bomber cost and operational effectiveness report has been submitted to Congress.

**SAC**, p. 187

B-1 interim contractor support.-The Committee recommends \$119,000,000 for interim contractor support for the B-1 bomber. This represents an increase of \$3,000,000 above the amount provided last year to cover the cost of inflation, but is \$35,254,000 below the budget request. The Committee questions the growth requested noting that the omnibus reprogramming recommends a reduction in fiscal year 1994 for B-1B and current Air Force plans would greatly reduce the number of combat coded B-1 bombers in fiscal year 1995.

**SAC**, p. 187

## **APPN CONF:**

Amendment No. 163: Deletes House language which allowed Operation and Maintenance funds for increasing energy and water efficiency in Federal buildings to be transferred to other appropriations, and inserts and amends Senate language requiring a cost and operational effectiveness analysis for Air Force bomber programs.

## BOMBER COST EFFECTIVENESS STUDY

The conferees recommend a general provision earmarking \$4,500,000 for the independent study of Air Force Bomber programs. The conferees direct that this study shall be conducted by an independent entity, such as the Institute for Defense Analysis, to ensure a completely unbiased review. Furthermore, the conferees direct that the results of the study shall be provided to the Committees on Appropriations in unclassified and classified form without any delay upon the completion of the internal review process of the independent organization accomplishing the study. The study should cover the specific guidance as proposed by the Senate to include a consideration of the cost, affordability and time required to implement any changes in the bomber force.

## Appn Conf, p. 161-162 (Gen Prov)

Amendment No. 213: Inserts Senate language that prohibits the use of funds to retire any B-52H, B-1B or F-111 bomber aircraft, inserts a new provision prohibiting the transfer of funds available to the Department of Defense and the Central Intelligence Agency for drug interdiction or counter-drug activities to any other department or agency of the United States except as specifically provided in an appropriations law, inserts a new provision to provide additional funds to the Asia Foundation, rescinds funds for the Department of State's Contributions to International Organization account and appropriates \$192,000,000 for salaries and expenses for the Securities and Exchange Commission contingent upon the enactment of legislation regarding fee collections, inserts a new provision on procurement reform reductions, inserts a new provision providing for the transfer of \$500,000,000 from "Operation and Maintenance, Defense-Wide" to other operation and maintenance accounts.

Appn Conf, p. 169-170 (Gen Prov)

***************************************

TITLE: B-2A (MYP) APPROP: 3010

			<u>APPN</u>					
	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>	
DOLLARS:	\$384,384	384,384	384,384	384,384	384,384	384,384	339,384	

QUANTITY:

### **HASC:**

B-2 bomber

The committee continues to support the agreements reached in the last several years that capped the total number and total program cost of the B-2 program. Accordingly, section 132 would clarify the definition of B-2 program cost.

**HASC**, p. 54

#### SASC:

Improving the bomber force and preserving bomber options

The committee has demonstrated a steadfast commitment over the years to supporting, and initiating when necessary, the programs needed to ensure a robust and effective bomber force, including the needed weapons. Thus, the committee has strongly supported the recommendations in the Air Force "Bomber Roadmap" of June 1992. This report identified a requirement for 184 total bombers, armed with precision conventional munitions, to deal with a single major regional contingency (MRC) in which an enemy armored force had begun a short-warning invasion of the territory of an ally.

The new Administration undertook a comprehensive review of future force requirements necessary to successfully deal with a variety of possible contingencies. This Bottom-Up Review (BUR) ultimately determined that the United States should retain the capability to deal with two "nearly simultaneous" MRCs. The BUR also called for a total force of 184 bombers, in order to provide "100 deployable" heavy bombers for each MRC. This analysis assumes that the highly-capable and stealthy B-2s would be shifted from the first theater to the second, once that second MRC began to unfold.

The BUR identified important roles for bombers armed with advanced conventional munitions. It concluded that, under many short-warning scenarios, long-range bombers and carrier-based tactical aircraft would be the only U.S. forces available early in a conflict to help a beleaguered ally defend itself against an invading armored force. This long-range offensive strike capability would be operational while U.S. ground and tactical air reinforcements were being deployed to the theater, and waiting for their required logistics chain to be established. U.S. reinforcements might have to "fight their way in" against future theater air and missile threats.

Viewed in the context of these demanding requirements, the committee finds the Department of Defense's bomber force posture and funding proposals unacceptable:

- (1) The "Bomber Roadmap" and the BUR called for a force structure of 184 bombers, yet the budget request funds only 100 during fiscal year 1995, and only 80 thereafter. The committee believes this is inadequate to meet current and future requirements.
- (2) Four recent independent studies all find that the planned DOD force structure of 80 to 100 non-stealthy bombers with only 20 B-2s is inadequate to deal with two MRCs. DOD has been unable to offer a coherent and consistent explanation for these discrepancies.

- (3) DOD appears unwilling to consider options for interim precision weapons for bombers, preferring to wait until the end of the decade for the tri-Service standoff attack missile (TSSAM) and the joint direct attack munitions (JDAM) family of weapons. Should conflict be thrust upon the United States before then, the bomber force would have only "dumb" iron bombs available. The committee believes interim precision weapon capabilities for bombers are both feasible and an inexpensive hedge.
  - (4) DOD has settled on a force structure and modernization plan before it has completed numerous ongoing analyses and tests that bear on those plans:
  - (a) The Nuclear Posture Review, which includes bomber requirements for maintaining nuclear deterrence, is still ongoing. The Secretary of Defense has testified that the bomber review is "unfinished business."
  - (b) The independent Roles and Missions Commission is examining bomber force structure tradeoffs with other military forces. The Commission will not submit its report on force structure tradeoffs until next summer.
    - (c) An important test of B-1B bomber operational readiness has just begun; results will not be available before next spring.
- (5) The committee believes that, if DOD intends to reduce the bomber force level to between 80 and 100 non-stealthy bombers, then more than 20 B-2 stealth bombers will be required to meet the demands of a two-MRC scenario. Yet the final B-2 bombers are moving down the assembly lines, and more and more subcontractors and facilities are completing deliveries. The production base for bombers is rapidly disappearing.

Thus, the committee found itself with many unanswered questions as it addressed the current budget request. The committee decided to set in motion a process to ensure that DOD and the committee will be better prepared to address bomber requirement issues during the fiscal year 1996 budget cycle. To accomplish this, the committee directs specific actions in the following subsections in order to:

- (1) preserve all bomber force structure options for one year;
- (2) preserve the bomber industrial base for one year;
- (3) receive the results of further bomber force structure and effectiveness analyses prior to next year's defense budget deliberations; and
- (4) begin procurement of improved interim conventional weapons for bombers.

In summary, the committee recommendations would prevent DOD from retiring any B-52 or B-1 bombers this year, fully fund planned conventional upgrades for those bombers, preserve the B-2 industrial base for one year, initiate a program to acquire limited numbers of effective bomber weapons within the next two years, and direct numerous analyses to better prepare DOD and the Congress to decide future bomber force structure issues next year.

## PRESERVATION OF BOMBER FORCE STRUCTURE OPTIONS

The committee has concluded that the planned bomber force level of between 80 and 100 is insufficient to meet current and future requirements, unless additional B-2 bombers are to be procured. Further, the ongoing Nuclear Posture Review is to address additional requirements for bombers to contribute to the maintenance of deterrence. The Roles and Missions Commission is to examine force tradeoffs including bombers. In other sections of this report, the committee also directs several independent studies of bomber issues. Therefore, the committee believes that all force structure options should be kept open at least through the next budget cycle.

First, the committee directs the Secretary of Defense not to retire any B-52H or B-1B bomber aircraft. All 95 B-52H and all 95 B-1B bombers (excluding one non-flying weapons-loading trainer B-1B aircraft) shall be retained, and any B-52H bombers transferred to Davis Monthan AFB before the date of this report shall be promptly returned to the Air Force Air Combat Command, for incorporation in an expanded B-52H attrition reserve. The committee understands that \$18.0

SEQ NO.: 002-10P

I-14

million in operation and maintenance funds is required in fiscal year 1995 to retain all 47 B-52H aircraft in attrition reserve status. The committee adds O&M funds for this purpose.

Second, although the Air Force plans to retain 26 B-1B bombers in attrition reserve status through the period of the Future Years Defense Program (FYDP), it has not funded the incorporation of either the conventional weapons upgrades or the new ECM system on those B-1s. Third, the Air Force has seriously underfunded the conventional improvements and ECM upgrades on the active inventory of B-1B bombers. This underfunding results in a one-year delay in the introduction of the JDAM family of weapons and a six-year delay in TSSAM capability on the B-1B, relative to their incorporation on B-52H bombers. The B-1B ECM program is also under-funded, resulting in a delay in installation until 2003. This, for the Air Force's self-proclaimed "backbone of the bomber force."

In the next FYDP submission, the committee directs the Air Force to fully fund the bomber conventional munitions upgrade programs for both B-1 and B-52 bombers, including funds for full modifications to all bombers proposed to be retained, whether in the active inventory or in an attrition reserve category. The committee understands this requires no increase in fiscal year 1995 funding, but will increase FYDP funding requirements for the B-1B bomber by approximately \$70 million, if all 95 B-1B bombers are retained.

The committee recommends fully funding the respective budget requests for RDT&E and procurement for fiscal year 1995 for the B-52H, the B-1B, and the B-2 bomber programs.

#### PRESERVING THE BOMBER INDUSTRIAL BASE

The committee has received testimony from Air Force and other witnesses regarding the desirability of maintaining an industrial base for the production of bombers, as DOD already is implementing for submarines, naval nuclear propulsion, and the tank industrial base. The committee also is in receipt of testimony and recent studies on the contributions that additional B-2 bombers could provide in future conventional conflicts. The committee is also aware of a proposal by the Northrop Corporation to produce a variant of the B-2 bomber that would have only a conventional weapons capability. Deletion of items on the B-2 related to nuclear missions would reportedly reduce the unit flyaway cost of a conventional-only stealth bomber by some \$25-30 million per aircraft.

In view of the unsettled future requirements for heavy bombers, together with the additional studies and analyses of bomber force structure and industrial base options requested elsewhere in this report, the committee considers it prudent to recommend \$150.0 million in order to preserve a portion of the bomber industrial base for one year.

Funds appropriated pursuant to this authorization are to preserve tooling in ready status, preserve a production capability for spare parts within the lower-tier vendor structure, and develop detailed production plans for a conventional-capability-only B-2 bomber. Funds may not be used to procure any major structural B-2 item that would not be procured by the Air Force as an item of initial or sustaining spares. This recommendation would not authorize a twenty-second B-2 bomber; rather, it would allow DOD and the Congress time to gather further information on future bomber requirements, including industrial base requirements. Funds appropriated pursuant to this authorization would be exempt from section 131(d) of Public Law 103-160.

## FURTHER BOMBER FORCE ANALYSES

The committee has directed bomber force structure questions to Department of Defense and other witnesses at more than a dozen hearings since the fiscal year 1995 budget request was submitted. The answers are, in totality, incomplete; many are inconsistent with others. The thrust of testimony from DOD witnesses is inconsistent with the published results of the Bottom-Up Review, as well as with the Air Force's 1992 "Bomber Roadmap", and with recent detailed analyses carried out by major defense contractors such as Boeing and Rockwell, by "think tanks" such as the RAND Corporation, and by respected independent analysts.

DOD has not revealed its own detailed analyses supporting its decisions to sharply reduce the bomber force structure. Nor has it attempted to refute any of the studies noted above, all of which call for substantially larger bomber forces than proposed in the budget request. Results of several of the independent studies show that a heavy bomber force reduced to the size and composition that DOD proposes to fund would be inadequate to prevent major losses in the opening phases of a two-MRC scenario, and would run high risk of failure even in single-MRC scenarios.

Given these substantial and unresolved differences between the new DOD bomber force levels and those derived in widely-available outside analyses, the committee is reluctant to make the irrevocable commitment to a smaller bomber force that would be brought about by approval of the current budget request for bombers.

Accordingly, the committee directs the Secretary of Defense to reconstitute the independent review group originally mandated under section 121(e) of Public Law 101-189 for the purpose of reconciling the analyses of bomber forces conducted by the Department in support of the Bottom-Up Review and the recent analyses conducted by outside experts. The committee is seeking to understand how such striking differences in overall outcomes can arise-whether they are the result of different assumptions about numbers of targets, or about warning and deployment times available, or about munitions effectiveness. The review group should also pay particular attention to assumptions about the length of time required to establish full supply lines to theater-based forces in the presence of a theater ballistic missile threat. The committee directs the Secretary to ensure full access by the independent review group to models, personnel involved, and assumptions used in Bottom-Up Review analyses, including the illustrative scenario presented to this committee at a classified hearing on March 9, 1994. The independent review group should provide its analysis and results in both classified and unclassified form to the Secretary and the congressional defense committees not later than February 1, 1995.

Second, the committee urges the Roles and Missions Commission established by subtitle E of title IX of Public Law 103-160 to review thoroughly the capabilities of bombers and carrier-based air forces in the early phases of a short-warning MRC when enemy actions may constrain our ability to provide land-based tactical air power and ground force reinforcements. The committee believes that an important early contribution by carriers to the defeat of an armored incursion may reside in Navy combat air patrols (CAP) and suppression of organic enemy air defense assets (SEAD), allowing non-stealthy Air Force bombers to deliver large weapons payloads with improved survivability. Traditional tactical air support missions, such as CAP, SEAD, and jamming, may only be available from carriers until land bases can be secured and supply lines to the theater established.

The committee expects the Commission to also consider tradeoffs between more stealthy aircraft and fewer support assets such as those for CAP and SEAD, to reduce the deployment lift requirements, the personnel placed at risk in the theater of operations, and the extensive resupply requirements. The Commission should evaluate, in particular, the kinds of tradeoffs presented by the Air Force during testimony on the Department of Defense Authorization Act for Fiscal Years 1992 and 1993 (S. Hrg. 102-255, Pt. 7, p. 794).

The committee looks forward with keen anticipation to the recommendations of the Roles and Missions Commission, and hopes its findings will shed additional light on future bomber requirements in time for action on the fiscal year 1996 request. To ensure the Commission has adequate independent expertise, the committee also recommends a provision that would authorize the Commission to draw upon the capabilities of the Department's federally funded research and development centers during fiscal years 1994 and 1995, for up to \$20.0 million in assistance.

Third, by the Secretary's own admission, the need to maintain some sort of bomber industrial base was not well-analyzed in the BUR. The Congress has, on several past occasions, relied upon the RAND Corporation to examine sensitive aspects of the B-2 bomber program. The committee believes that this background and RAND's long experience in acquisition and industrial base research warrant its directing the Secretary of Defense to ask the RAND Corporation to conduct an

independent analysis of the need for the Defense Department to provide some industrial base protection for future bomber production requirements, as it has already determined to be necessary for the submarine and tank industrial bases. The RAND analysis and recommendations for whether, and, if so, how, to preserve an industrial base capability for bombers should be provided to the congressional defense committees not later than March 1, 1995.

None of these outside efforts are intended to preclude the Secretary of Defense from continuing to evaluate bomber force structure and effectiveness options and tradeoffs; to the contrary, he is encouraged to do so. The committee hopes that the defense budget request for fiscal year 1996 and the accompanying FYDP will present a clear and coherent bomber roadmap to the Congress.

## "INTERIM" CONVENTIONAL WEAPONS FOR BOMBERS

There are several possibilities for adding interim precision weapons capabilities to existing bombers. All would be limited in numbers and higher in cost than the precision munitions-the JDAM family of weapons-now in development for deployment near the end of the decade. The initial JDAM weapon, a guided 2000 lb. bomb, will greatly improve bomber effectiveness against fixed targets. However, it is not well-suited to defeat armored formations. Apart from the TSSAM, which offers both anti-armor submunitions and standoff delivery, bomber capabilities against armored incursions will remain limited into the next decade. Current tactical munitions dispensers (TMDs) containing anti-armor submunitions require low-altitude direct overflight delivery; as the British Tornado experience during Operation Desert Storm makes plain, this is a costly delivery tactic. The Air Force has announced plans to develop a "wind-corrected TMD" containing an inertial guidance unit, to allow delivery with some standoff capability from medium altitude and above of anti-armor submunitions from a wide variety of fighter and bomber aircraft. Unfortunately, the Air Force has yet to identify funding requirements for this approach and the planned initial operating capability (IOC) is not earlier than the end of the decade. Thus, this approach will not provide an "interim" capability.

The interim weapons possibilities include the following: further conversions of the nuclear-armed air launched cruise missile (ALCM) to any of several improved conventionally-armed ALCM capabilities (CALCM); a limited purchase of additional GPS-aided munitions system (GAMS) R&D weapons being developed as part of the GATS/GAMS capability to be tested on both B-1 and B-2 bombers; and incorporation of brilliant anti-tank (BAT) anti-armor submunitions in a TMD for high-altitude bomber delivery against armored formations.

For the CALCM, there are three separate options, each with a different delivery date and cost: (1) a modest improvement on the CALCMs used at the beginning of Operation Desert Storm; (2) a major improvement including better stealth and a penetrating warhead capability; and (3) a more ambitious effort to incorporate various anti-armor submunitions (WAM, SFW, and/or BAT) in a significantly modified ALCM. Any of the CALCM versions would be deliverable by B-52s, B-1Bs and Block 30 B-2s, and would provide substantial standoff range for the non-stealthy bombers. The committee understands that ALCM missiles are in such over-supply that some 150 ALCMs have been sent to storage areas outside of main operating bases.

The GAMS options would continue the production of the weapon guidance kits beyond the 42 that will be required for the B-2 GATS-GAMS test program. Additional production of GAMS kits would provide additional test weapons for the B-2, and for the B-1B bomber if its radar is found suitable, providing a limited contingency stockpile of precision bomber weapons. Northrop has proposed to deliver 128 additional GAMs weapons kits starting in mid-1996, for \$25.0 million.

A third option is to explore delivery of the BAT submunition from a slightly-modified, unguided TMD, for delivery from medium altitude. The BAT submunition has a large target acquisition range and footprint, which could offset somewhat the effect of wind drift on a TMD descending from medium altitude. An interim approach using the BAT would be to test its capability in an unguided TMD to determine whether medium-altitude release of this weapon from a platform with self-contained precision target location capabilities (such as the B-2) could reliably place the unguided dispenser within the lethal range of the submunitions. It appears this concept could be demonstrated and flight tested by mid-1996 for about \$25.0 million. If these tests were successful, interim BAT/TMD weapons could be available by late 1997.

Of the interim options discussed above, the committee considers all but the second CALCM option to be worth pursuing vigorously, under streamlined acquisition procedures to ensure early availability of interim weapons. Three hundred of the CALCM-I version could be delivered during the last half of 1996 and the first half of 1997 at a unit cost of less than \$200,000. If an early demonstration of the anti-armor version of the CALCM were successful, 300 CALCM-III weapons could be delivered in late 1997 and 1998, at a unit cost of about \$400,000. Therefore, the committee recommends \$40.0 million for modifications to

demonstrate the capability to dispense anti-armor submunitions from a modified ALCM, develop in-flight targeting updates for a proposed CALCM-III missile, and begin conversion of existing ALCM missiles to the CALCM-I configuration. The Air Force is authorized to procure up to 100 CALCM-I missiles with the recommended funds. The committee expects the Air Force to request both adequate funds to demonstrate the CALCM-III concept, and to procure an additional 200 CALCM-I missiles in fiscal year 1996, so long as the contracted unit price per missile for a lot of 300 conversions remains below \$200,000 per missile, not including government-furnished equipment. The committee expects the Department to negotiate a firm fixed-price contract for the additional CALCM-I conversions.

The committee also recommends \$25.0 million to procure an additional 128 GAMS kits, in order to provide an interim capability for B-2 and, should GATS tests prove successful, B-1 bombers.

The committee further recommends \$25.0 million to conduct a flight-test demonstration of the possibility of delivering BAT submunitions with sufficient accuracy from an unguided TMD released from medium altitude.

The committee stresses to the Secretary of Defense the urgency it attaches to all of these interim weapons proposals, and directs him to ensure that these programs are carried out expeditiously, under streamlined acquisition procedures, and with a minimum of bureaucratic red-tape.

The committee observes that, even if all of the programs discussed above were successfully carried to fruition, the resulting inventory of interim precision weapons would be modest-no more than a few sorties per bomber. Therefore, the committee sees no need to increase the planned bomber force structure from the proposed level of 40 active B-52H and 60 active B-1B bombers, until such time as JDAM and TSSAM deliveries have increased the available precision munitions stockpiles.

Finally, the committee directs the Secretary to evaluate the recommendation by the RAND Corporation contained in testimony before the committee that the JDAM program be extended to include 1,000-lb. and 500-lb. iron bombs. The Secretary shall provide to the congressional defense committees a report on the cost-effectiveness of this action not later than April 30, 1995.

## SASC, p. 54-61

#### **AUTH CONF:**

Enhanced bomber capability fund (sec. 133)

The Senate bill contained a provision (sec. 141) that would provide \$150.0 million for a bomber industrial base fund and exempt those funds from the existing B-2 bomber cost cap.

The House amendment contained a provision (sec. 132) that would provide that any expenditures by the Department of Defense to preserve the B-2 bomber industrial facilities would be charged against the B-2 bomber cost cap.

The House recedes with an amendment.

The conferees agree to recommend \$125.0 million for an enhanced bomber capability fund. The conferees further agree to require the Secretary of Defense to conduct new analyses of both bomber requirements in the near term and long term, and, should the Secretary conclude that the planned bomber program does not meet those requirements, examine alternative strategies to enhance bomber capabilities to meet those requirements and report his results to the congressional defense committees no later than April 15, 1995. Requirements would be defined, and bomber capabilities measured, for three time periods: 1998, 2006, and 2014.

In the event the Secretary determines that additional bomber capabilities are required, he shall examine alternative strategies for acquiring them, including, but not limited to:

- (1) acceleration of planned upgrades to existing bombers and additional munitions and support for them;
- (2) initiation of a program to develop a new, lower-cost "next generation" bomber oriented toward conventional warfare; and
- (3) a resumption of low-rate production of additional B-2 bombers, or variants thereof, oriented toward conventional warfare.

As part of these analyses, the Secretary shall determine those core capabilities, which would take extended periods of time or substantial expense to regenerate and which are in imminent danger of being lost, that are needed to maintain the ability to design, develop, and produce bombers in the near term or long term.

While the analyses are ongoing, the Secretary may obligate up to \$100.0 million both to conduct these analyses and to preserve those parts of the core capabilities described above. The conferees believe that the Secretary should report to Congress where and why such funds are to be spent before obligating them. The conferees understand that, because these assessment of the bomber industrial base will proceed over time, the Secretary may determine at various times throughout the study periods the need to fund appropriate core capabilities of the base.

Following completion of these analyses and an interim report on bomber issues from the Commission on Roles and Missions, but not later than July 1, 1995, the Secretary shall report the results, and his recommendations thereon, to the congressional defense committees. Thereafter, he may obligate all remaining unobligated balances to implement his recommendations, including funds for further preservation of core capabilities, if he so recommends.

Should the Secretary conclude from his analyses that a new "next-generation" bomber is required, he may obligate up to \$25.0 million for requirements formulation and conceptual studies for a conventional-conflict-oriented, lower-cost next-generation bomber.

The conferees agree that none of the enhanced bomber capability funds may be used for advance procurement of new B-2 bomber aircraft, including long-lead items, and that subsections (c) and (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1994, which established cost and numerical caps on the B-2 program, are unaffected by any provision in this act.

## **AUTH CONF, p. 552-553**

## HAC:

#### STRATEGIC BOMBER INDUSTRIAL BASE

The Committee expresses its serious concern that the total size and optimal composition of the strategic, long range bomber force has yet to be adequately determined by the Defense Department. The Bottom Up Review recommended that a total bomber force of 184 aircraft was required to support the execution of two near simultaneous major regional contingencies (MRC). Yet the fiscal year 1995 Air Force budget request proposes a total bomber force structure substantially lower than the stated requirement.

The B-2 aircraft is the only long range, stealthy bomber in the military inventory. The production program for the B-2 is also nearing completion, which will result in the dismantling of the B-2 industrial base. The Committee believes that the Defense Department must continue to review the bomber force structure to assure that it can support the two MRC strategy as called for in the Bottom Up Review. The Committee also believes that the Department must

take responsible action to preserve the option to sustain the B-2 production base should future requirements dictate. The Committee, therefore, urges the Department of the Air Force to the extent practicable to maintain key production capabilities for the B-2 aircraft. The Committee also directs that the implementation of any B-2 industrial base sustainment plan should emphasize the acquisition of aircraft components which would support the B-2 logistical requirements if additional aircraft are not acquired.

HAC, p. 172

SAC:

## COMMITTEE RECOMMENDED ADJUSTMENTS

Bomber cost effectiveness.-The plan put forward by the Air Force regarding its bomber force structure has left many in Congress with an uneasy feeling. While the "Bottom-up Review" suggested that 100 bombers would be required for one major regional contingency [MRC], the Air Force plans to maintain a fleet of only 108 bombers for two MRC's. The House responded to this plan by authorizing a bomber upgrade program. The Senate authorized additional funds for bomber industrial base and directed that the current bomber force structure be maintained. The Defense Department is apparently reconsidering its bomber force structure for the future in light of the unanswered questions raised by the Congress.

The Committee notes several inconsistencies in the Air Force plan. For example, while 48 B-1 bombers are to be combat coded, the Air Force plans to modify 72 with certain capabilities, all 95 with other enhancements and only 50 for other improvements. Second, the Committee questions the creation of an attrition reserve, believing that limited total resources will relegate these aircraft to hangar queen status rendering them ultimately useless.

The primary concern of the Committee is its belief that neither Congress nor the Defense Department has sufficient information to determine the required and most cost-effective bomber force structure. The Committee notes that several aerospace firms have conducted detailed research to measure the warfighting effectiveness of the planned Air Force fleet and most have found it wanting. A recent RAND analysis indicates that a force of 38 B-2's and 40 B-52's would provide a roughly comparable force in effectiveness to a fleet of 20 B-2's, 60 B-1B's and 40 B-52's, but would have more flexibility to meet two MRC's, and would be easier to employ operationally. The Committee notes the warfighting success of stealth fighters in Operation Desert Storm, using little ancillary support, and concludes that a cost-effectiveness analysis of all the alternatives could demonstrate that the overall capability of the stealthy B-2 overrides its high acquisition costs.

So too, the acquisition of a new conventional cruise missile for the B-1B might eliminate the need for this aircraft to penetrate hostile airspace, and, thereby, nullify the requirement to attempt to improve its fatally flawed electronic countermeasures systems. The cost effectiveness of this approach should be measured.

The Committee believes that the Air Force should refrain from taking any action which would prejudice the bomber force structure until a cost and operational effectiveness analysis can be completed which identifies the most cost-effective bomber force which can meet the two MRC objective. Therefore, the Committee directs the Office of the Secretary of Defense to contract with an outside entity, such as the Institute for Defense Analyses, to conduct such an analysis.

The analysis should focus on the total life cycle cost of all of the bomber programs, and measure different force levels of each program on its ability to meet the two MRC requirement. In discussing the life cycle cost, the study should include the costs associated with the support units-including fighter escorts, electronic warfare aircraft, and other such ancillary requirements-which would need to be acquired or upgraded, and operated and maintained to support the bombers in warfighting scenarios.

The Committee expects that the Defense Department can complete such a study in time for the congressional budget cycle for fiscal year 1996. In conjunction with this request, the Committee recommends inclusion of a general provision which would restrict the obligation of procurement and research and development funds for upgrading and modifying the bomber fleet until the report has been concluded.

The prohibition on the use of funds for new initiatives for bomber programs shall not apply to the administrative preparations for entering into the phase 2B contract for engineering and manufacturing development of the near precision weapons (joint direct attack munition and associated modifications) capabilities for

the B-1B bomber under the B-1B Conventional Mission Upgrade Program. The permitted activities are issuing a request for proposal for this contract by the Air Force and discussions between the Air Force and potential contractors to define the cost, schedule, and scope of the work to be accomplished under the phase 2B contract.

## SAC, p. 186-187

Bomber modernization funds.-The Committee recommendations fully fund the request for bomber modification and modernization programs. The bill which the Committee recommends to the Senate includes language which restricts the obligation of these funds until the requested bomber cost and operational effectiveness report has been submitted to Congress.

**SAC, p. 187** 

## **APPN CONF:**

## ENHANCED BOMBER CAPABILITY FUND/BOMBER INDUSTRIAL BASE

The conferees remain very concerned about the current long range bomber force structure, and the means by which to improve its overall size, composition, and capability. As such, the conferees provide \$125,000,000 to help sustain the bomber industrial base.

Given the demonstrated requirement for U.S. bombers in the rapidly changing national security environment, the conferees are worried that the last remaining U.S. bomber production capability, the B-2 industrial base, is being dismantled before adequate analysis has been completed to determine the proper long range, heavy bomber force structure. Independent studies have concluded that the 20 B-2 aircraft now on order are simply not enough to provide a militarily significant and cost effective long range conventional bomber force. The conferees regard the initiative to protect the option to produce additional B-2 bombers for one more year as critically important to U.S. national security.

Accordingly, the appropriation of these funds is intended to demonstrate to the Department the importance the conferees attach to the preservation of our only remaining bomber production capability. Upon the enactment of this Act, the Secretary of Defense shall utilize this \$125,000,000 to ensure the B-2 production base remains a viable option for at least one more year.

The Commission on Roles and Missions, as established by the Congress last year, is one vehicle for providing the Congress with a considered opinion on the proper B-2 stealth bomber inventory that the Air Force should maintain. Therefore, the conferees direct the Commission to specifically address this issue in its report, not only in the context of the preservation of the industrial base, but for the critical capability the B-2 provides to our national security. The Commission is directed to report its findings to the Congressional defense committees. If warranted by the findings of the Commission, the Secretary of Defense shall also develop an acquisition plan for sustained low rate production of additional B-2 bombers as a force modernization option and submit it to the defense committees.

The conferees note that the Congress has previously established a cost cap of \$44.4 billion on the original 20 B-2 bomber program. It is the judgment of the conferees that, because the expenditure of the \$125,000,000 is for studies, analysis and other efforts to preserve the B-2 industrial base and to improve the size and composition of our long range, heavy bomber force required to meet two MRCs, these funds are unrelated to the orderly conclusion of the ongoing 20 B-2 aircraft program. Therefore, the funds provided herein for this purpose will not be counted against the statutory cost cap.

The 1995 National Defense Authorization Act provides funds for these purposes in the Enhanced Bomber Capability Fund. The conferees believe that the terms Enhanced Bomber Capability Fund and Bomber Industrial Base are interchangeable and should be viewed by the Defense Department as the same program.

**Appn Conf, p. 95-96** 

Amendment No. 152: Restores House language which prohibits funds to procure aircraft fuel cells unless they are produced or manufactured in the United States and inserts Senate language which denies funds to establish or support organic depot maintenance activities in DoD for the B-2 bomber until a report is provided to Congress.

## Appn Conf, p. 160 (Gen Prov)

Amendment No. 163: Deletes House language which allowed Operation and Maintenance funds for increasing energy and water efficiency in Federal buildings to be transferred to other appropriations, and inserts and amends Senate language requiring a cost and operational effectiveness analysis for Air Force bomber programs.

## BOMBER COST EFFECTIVENESS STUDY

The conferees recommend a general provision earmarking \$4,500,000 for the independent study of Air Force Bomber programs. The conferees direct that this study shall be conducted by an independent entity, such as the Institute for Defense Analysis, to ensure a completely unbiased review. Furthermore, the conferees direct that the results of the study shall be provided to the Committees on Appropriations in unclassified and classified form without any delay upon the completion of the internal review process of the independent organization accomplishing the study. The study should cover the specific guidance as proposed by the Senate to include a consideration of the cost, affordability and time required to implement any changes in the bomber force.

Appn Conf, p. 161-162 (Gen Prov)

TITLE: F-15E APPROP: 3010

<u>PBR</u>	<u>HASC</u>	SASC	AUTH CONF	<u>HAC</u>	SAC	APPN CONF
\$20,394	20,394	20,394	20,394	20,394	20,394	20,394

**QUANTITY**:

DOLLARS:

HAC:

## JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)

The Air Force initiated an F-15 Fighter Data Link (FDL) Operational Special Program (OSP) at Mt. Home AFB in September 1993. The Committee understands that the results obtained since the beginning of the OSP are strongly supportive of JTIDS as a force multiplier and show that the F-15's combat effectiveness is significantly increased. The Committee therefore directs the Department of the Air Force to provide a report which addresses the results of the F-15 FDL OSP and details the Air Force's near-term plan for implementation of JTIDS in the F-15 force structure. This report should be provided no later than January 15, 1995.

HAC, p. 176

TITLE: F-16 C/D (MYP) APPROP: 3010

	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	APPN CONF	
DOLLARS:	\$100,549	100,549	100,549	100,549	100,549	0	75,549	

QUANTITY:

## SAC:

F-16 fighter.-The Committee believes the Air Force has supplied poor justification for the \$100,549,000 requested for the F-16 Program, noting that procurement of the F-16 ended last year. The Committee denies the budget request.

SAC, p. 187

TITLE: C-17 (MYP) APPROP: 3010

	<u>PBR</u>	<u>HASC</u>	SASC	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	<u>APPN</u> <u>CONF</u>	
DOLLARS:	\$2,472,914	2,472,914	2,188,614	2,168,614	2,007,314	2,472,914	2,168,614	
QUANTITY:	6	4	6	6	6	6	6	*******

## **SASC:**

C-17 airlift aircraft

The committee recommends funding for implementation of the settlement agreement negotiated between the Department of Defense and the C-17 prime contractor in January 1994. The committee recommends the budget request for six new aircraft but reduces the fiscal year 1995 procurement request of \$2.8 billion by \$387.4 million. The committee also recommends long-lead funding for eight additional aircraft.

The committee hopes that the settlement agreement will promote progress in a C-17 program characterized by cost overruns, schedule slippages, and performance problems.

**SASC**, p. 54

## **AUTH CONF:**

Intertheater airlift programs (sec. 131)

The House amendment contained a provision (sec. 131) that would authorize funds for procurement of non-developmental alternative aircraft (NDAA) and the C-17 airlift aircraft. The provision would require the Secretary of Defense to use competitive procedures to select the source for the NDAA program. The provision would also require the Secretary to structure NDAA acquisition so that the Air Force's aggregate intertheater airlift capacity is preserved.

The Senate bill contained no similar provision.

The Senate recedes with an amendment. The conferees agree that maintaining aggregate airlift capacity is important. However, the conferees recommend that this concern be expressed as a sense of Congress provision, rather than as a legislative requirement.

## Auth Conf, p. 552

Settlement of claims under the C-17 aircraft program (sec. 132)

The Senate bill contained a provision (sec. 131) that would authorize the settlement of certain claims under the C-17 aircraft program.

The House amendment contained no similar provision.

The House recedes with an amendment.

Auth Conf, p. 552

HAC:

## C-17

The Department of the Air Force budgeted \$2,472,914,000 for the acquisition of 6 C-17 transport aircraft in fiscal year 1995. The Air Force also budgeted \$189,900,000 for advanced procurement of 8 C-17 aircraft in fiscal year 1996. The Committee recommends \$2,007,314,000 for procurement of 6 C-17 aircraft, a reduction of \$465,600,000 to the budget request. The Committee also recommends \$189,900,000 for advanced procurement the amount of the budget request.

The Committee strongly supports the Department's strategic airlift modernization plans and is encouraged by the substantial technical progress that has been achieved by the C-17 program over the past year, yet serious concerns remain regarding the program's overall affordability. The Committee also expresses its concern over the terms of the proposed C-17 settlement and has provided no funds for its implementation. The Committee is supportive of plans to acquire 6 C-17 aircraft in fiscal year 1995 and 8 in fiscal year 1996 to enable a full rate production decision in November 1995, however, in the absence of authorization legislation and specific program unit cost reduction goals, the Committee cannot endorse the proposed C-17 business settlement between the government and manufacturer at this time. The Committee will continue to work with other congressional committees and the Defense Department to ensure that a mutually acceptable settlement is implemented.

The Committee recommends the following reductions to the C-17 budget request: Settlement Costs, -\$178,000,000; Engine Settlement Cost Savings, -\$24,000,000; Hazardous Material Disposal, -\$140,000,000; Engineering Change Orders -\$39,000,000; Engine Depot Support Equipment, -\$34,600,000, Advanced Software Facility, -\$50,000,000. The Committee has also recommended a reduction of \$116,300,000 to the C-17 research and development budget request for costs associated with implementing the settlement.

The Committee also directs the Department of Defense to provide a report on its plan to reduce unit costs on the C-17 program. The report should also include a discussion of the specific affordability criteria to be utilized by the Department in making the full rate production decision for the C-17. Further the Committee directs that \$100,000,000 appropriated for C-17 productivity improvement projects shall not be obligated until the Committee has received this report.

## HAC, p. 172-173

#### C-17 ENGINE

The Committee is dismayed to learn that after expressing its concern over the escalating costs of the C-17 engine during the course of the fiscal year 1994 budget cycle, the Department of the Air Force and engine manufacturer have failed to implement any cost reduction measures for the commercial derivative C-17 engine.

The Air Force's original acquisition strategy to procure a commercially available engine for the C-17 as government furnished equipment (GFE) was intended as a cost savings measure. Not only did this strategy fail to yield the expected cost savings it in fact has resulted in significant cost increases to the C-17 engine. Further, according to the Committee's investigative staff, the Air Force has no plans to seek cost reductions to the C-17 engine.

In view of this situation and the 13 year sole source position of the present C-17 engine manufacturer, the Committee directs the Department of the Air Force to initiate the process to qualify a second source producer of the C-17 engine and competitively acquire the engine beginning with the fiscal year 1997 procurement of the C-17. The Committee has also included specific bill language to this effect in the fiscal year 1995 Defense Appropriations Act. The Committee also directs the Air Force to provide a report on its acquisition plan to implement the Committee's direction. The report shall also include a cost-

effectiveness analysis of commercial vs. public C-17 engine depot support for the remainder of the program. This report shall be provided no later than April 15, 1995.

## HAC, p. 173-174

## SAC:

C-17 airlift aircraft.-The Committee recommends \$2,472,914,000 for the C-17 aircraft, the same as the budget request. This is \$465,600,000 above the House allowance. The Committee is fully supportive of continuing the C-17 through fiscal year 1996, and recommends an additional \$189,900,000 for advance procurement requirements as requested. The Committee notes the importance of resolving the disputes between the contractor and the Government, and supports the action of the Senate which endorsed settling these differences without further delay. The Committee has fully funded the request to ensure that sufficient funds are available to cover the settlement costs and procure the six authorized aircraft.

C-17 engines. The Committee shares the concern of the House regarding the price of the C-17 engine. The Committee concurs in the desire of the House to attain a lower price for the C-17 engine. However, the Committee understands that the contractual agreement entered into by the Air Force for the C-17 engine was based on a commercial pricing relationship which recognized that engine prices would increase significantly in lot IV and would continue to increase to cover any engineering changes requested by the Air Force and to cover inflationary adjustments. Furthermore, the Committee believes the uncertainty of the program's future, beyond fiscal year 1996, makes the recommendation to qualify a second source costly and impractical.

The Committee directs the Air Force to reexamine its requirements for C-17 engine engineering change proposals and unique military features to attempt to reduce the engine price. Furthermore, the Committee strongly suggests to the Air Force that, in the future, it should resist using commercial pricing practices which tend to minimize up front prices at the expense of follow-on costs on major acquisition programs.

## SAC, p. 187-188

## **APPN CONF:**

## C-17

The conferees agree to provide \$2,168,614,000 for the C-17 program, a reduction of \$304,300,000 to the budget request and the same amount as the authorization total. The conferees agree to the deletion of House language requiring the Air Force to qualify a second source producer for the C-17 engine. The conferees are cautiously optimistic that the present producer of the engine will take the necessary actions to reduce the engine's unit cost. If such unit cost reduction does not occur the conferees reserve the right to revisit the issue of developing a second source for the C-17 engine. The conferees direct that no funds provided herein may be obligated to support the contract award of the C-17 engine in fiscal year 1995 until a report has been submitted to the congressional defense committees detailing the specific actions to be taken to reduce the unit cost of the engine.

### Appn Conf, p. 96

Amendment No. 80: Restores and amends House language requiring the Air Force to initiate procurement of non-developmental airlift alternative aircraft in fiscal year 1995; deletes House language requiring the Air Force to qualify a second source producer of the C-17 engine and deletes a House provision making a portion of the appropriation subject to authorization.

## Appn Conf, p. 97

SEO NO.: 006-10P

TITLE: C-17 ADV PROC APPROP: 3010

<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	<u>APPN</u> <u>CONF</u>
\$189,900	47,475	189,900	189,900	189,900	189,900	189,900

QUANTITY:

DOLLARS:

## HASC:

Intertheater airlift

The budget request contained \$2,472.9 million for procurement of six C-17 aircraft for fiscal year 1995; \$189.9 million for advance procurement of eight aircraft in fiscal year 1996; \$6.1 million for C-17 modifications; and \$221.4 million for research and development. The budget request also contains \$103.7 million for non-developmental alternative aircraft (NDAA) for fiscal year 1995.

The committee is concerned about both the C-17 and the complementary airlift aircraft programs. As initially envisioned, the delivery of 120 C-17s on the schedule and at the price then projected would have been a valuable and non-controversial contribution to our intertheater airlift needs. Unfortunately, the C-17 program fell behind schedule, went over budget, and has turned out to be less capable than when the program started. In recent months, senior DOD officials have criticized the program even as they restated their need for the capabilities of the C-17 and their goal of acquiring 120 of them.

The cost of the C-17, coupled with tight budget constraints for the rest of the decade, mean it may be unlikely that production rates could increase to levels where the program could meet total airlift requirements on a timely basis. One option that would address this program is to procure on an annual basis a mix of four C-17s and additional non-developmental alternative aircraft (NDAA) to complement the C-17. This could be accomplished within budgetary limits and would both sustain and enhance current aggregate airlift capabilities through the 12-year period (1995 to 2006) during which the C-141 fleet will be retired. Depending on the NDAA selected, this mix of C-17s and NDAA could save several billion dollars over a 10-year period and cold substantially reduce any risks of today's C-17-only strategy. The committee notes that its use of the term NDAA permits consideration of both new and existing military and civilian airlift-capable aircraft.

Accordingly, the committee recommends authorization of \$1,507.2 million for procurement of four C-17s; \$47.5 million for advance procurement of C-17s in fiscal year 1996; \$6.1 million for C-17 modifications; and \$105.2 million for research and development.

The committee also recommends authorization of \$550 million for procurement of non-developmental complementary aircraft for intertheater airlift. The committee directs the Secretary of Defense to merge unobligated fiscal year 1994 funds from the nondevelopmental alternative aircraft program for this purpose as well.

Furthermore, the committee directs the Secretary to plan for the acquisition of sufficient aggregate airlift that will at least maintain current airlift capacity over the next 10 years, as changes to the existing fleet and any new validated requirements emerge from further review arise.

Finally, the committee directs the Secretary to provide the congressional defense committees with copies of the Mobility Requirements Study/Bottom-Up Review Update no later than February 1, 1995. At the same time, the Secretary shall submit the plans for procurement of C-17 and NDAA aircraft in 1995 and beyond. The committee directs that advance procurement funds for the C-17 aircraft for fiscal year 1996 may not be obligated until this report is submitted.

**HASC**, p. 54

TITLE: C-130H APPROP: 3010

			<u>AUTH</u>	<u>AUTH</u>				
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>		
\$49 975	49 975	49 975	49 975	49 975	31 575	31 575		

QUANTITY:

DOLLARS:

## **SASC:**

C-130 tactical airlift modernization

Last year, the committee was made aware of a proposal by the C-130 contractor team to develop a follow-on C-130 aircraft, called the "C-130J." The goals of this C-130J upgrade would be improved performance and reduced operating and support costs.

The committee has expressed its concerns about tactical airlift modernization on numerous occasions. The committee was interested in the C-130J proposal, but asked the Air Force to develop more information about the proposal. Although the Air Force has not provided the report, the committee understands that the Air Force finds the proposal an attractive alternative for modernizing active tactical airlift squadrons. The committee received testimony from the Commander of the Air Combat Command indicating that the Air Force was very interested in this aircraft to modernize the fleet.

The committee understands that the Department of Defense has approved a proposal to use fiscal year 1994 Guard and Reserve procurement funds to procure 2 C-130Js, and deliver these aircraft to the active Air Force. Under this proposal, the active Air Force would, in turn, transfer two C-130Hs purchased with fiscal year 1993 funds directly to the Air National Guard from among those scheduled to be delivered to the Air Force in mid-1994. The committee understands that these two aircraft would be used in the testing program and would help lead to FAA certification of the configuration that the Air Force would want to buy.

The committee believes that the Department should implement such an arrangement, based on the preliminary reports from the Air Force and the Air Combat Command. This is the first positive sign in a couple of years that the Air Force and the Department may be seriously considering the plight and overdue modernization of the active component of our tactical airlift forces.

**SASC**, p. 39

## SAC:

C-130H Hercules.-The Committee recommends \$31,575,000 for the C-130H Program, a reduction of \$18,400,000 from the budget request. Based on changes recommended in the omnibus reprogramming, no justification was provided for these funds.

**SAC**, p. 188

**************************************								
TITLE: NON DEVELOPMENT AIRLIFT AIRCRAFT APPROP: 3010								
<u>PBR</u>	HASC	SASC	AUTH CONF	<u>HAC</u>	SAC	APPN CONF		

OUANTITY:

\$103,707

550,000

150,000

103,707

103,707

0

0

#### HASC:

Intertheater airlift

DOLLARS:

The budget request contained \$2,472.9 million for procurement of six C-17 aircraft for fiscal year 1995; \$189.9 million for advance procurement of eight aircraft in fiscal year 1996; \$6.1 million for C-17 modifications; and \$221.4 million for research and development. The budget request also contains \$103.7 million for non-developmental alternative aircraft (NDAA) for fiscal year 1995.

The committee is concerned about both the C-17 and the complementary airlift aircraft programs. As initially envisioned, the delivery of 120 C-17s on the schedule and at the price then projected would have been a valuable and non-controversial contribution to our intertheater airlift needs. Unfortunately, the C-17 program fell behind schedule, went over budget, and has turned out to be less capable than when the program started. In recent months, senior DOD officials have criticized the program even as they restated their need for the capabilities of the C-17 and their goal of acquiring 120 of them.

The cost of the C-17, coupled with tight budget constraints for the rest of the decade, mean it may be unlikely that production rates could increase to levels where the program could meet total airlift requirements on a timely basis. One option that would address this program is to procure on an annual basis a mix of four C-17s and additional non-developmental alternative aircraft (NDAA) to complement the C-17. This could be accomplished within budgetary limits and would both sustain and enhance current aggregate airlift capabilities through the 12-year period (1995 to 2006) during which the C-141 fleet will be retired. Depending on the NDAA selected, this mix of C-17s and NDAA could save several billion dollars over a 10-year period and cold substantially reduce any risks of today's C-17-only strategy. The committee notes that its use of the term NDAA permits consideration of both new and existing military and civilian airlift-capable aircraft.

Accordingly, the committee recommends authorization of \$1,507.2 million for procurement of four C-17s; \$47.5 million for advance procurement of C-17s in fiscal year 1996; \$6.1 million for C-17 modifications; and \$105.2 million for research and development.

The committee also recommends authorization of \$550 million for procurement of non-developmental complementary aircraft for intertheater airlift. The committee directs the Secretary of Defense to merge unobligated fiscal year 1994 funds from the nondevelopmental alternative aircraft program for this purpose as well.

Furthermore, the committee directs the Secretary to plan for the acquisition of sufficient aggregate airlift that will at least maintain current airlift capacity over the next 10 years, as changes to the existing fleet and any new validated requirements emerge from further review arise.

Finally, the committee directs the Secretary to provide the congressional defense committees with copies of the Mobility Requirements Study/Bottom-Up Review Update no later than February 1, 1995. At the same time, the Secretary shall submit the plans for procurement of C-17 and NDAA aircraft in 1995 and beyond. The committee directs that advance procurement funds for the C-17 aircraft for fiscal year 1996 may not be obligated until this report is submitted.

**HASC**, p. 54

#### **AUTH CONF:**

Intertheater airlift programs (sec. 131)

The House amendment contained a provision (sec. 131) that would authorize funds for procurement of non-developmental alternative aircraft (NDAA) and the C-17 airlift aircraft. The provision would require the Secretary of Defense to use competitive procedures to select the source for the NDAA program. The provision would also require the Secretary to structure NDAA acquisition so that the Air Force's aggregate intertheater airlift capacity is preserved.

The Senate bill contained no similar provision.

The Senate recedes with an amendment. The conferees agree that maintaining aggregate airlift capacity is important. However, the conferees recommend that this concern be expressed as a sense of Congress provision, rather than as a legislative requirement.

Auth Conf, p. 552

## HAC:

## NON-DEVELOPMENTAL AIRLIFT AIRCRAFT (NDAA)

The Committee notes with great concern the Department's delayed acquisition plan for the Non-developmental Airlift Aircraft (NDAA) program. Given the critical shortage of strategic airlift capacity faced by the armed services, it is the Committee's belief that the Department's desire to link the acquisition of NDAA with the final production decision on the C-17 is without basis.

The Committee directs the Department of Defense to use prior year appropriations made available for the NDAA program as well as the funds provided by the Committee in fiscal year 1995 to begin the procurement of NDAA aircraft in fiscal year 1995. The Committee has also provided direction to this effect in the "Aircraft Procurement, Air Force" section of the Fiscal Year 1995 Defense Appropriations Act.

The Committee also urges the Department to budget the necessary procurement funds in the current five year defense plan to acquire sufficient aggregate airlift capacity as changes to the existing airlift fleet and new requirements emerge.

HAC, p. 174

## SAC:

Nondevelopmental aircraft.-The Committee recommends no funds for the Nondevelopmental Airlift Aircraft Program instead of \$103,707,000 as requested. The Committee recognizes that the \$97,900,000 that was appropriated in fiscal year 1994 remains unobligated and is likely not to be used for another year. DOD is not expected to determine which program would be the best candidate for the nondevelopmental airlift aircraft until the fall of 1995. Therefore, it seems premature to provide additional funding for the program at this time.

**SAC**, p. 188

TITLE:	JPATS	APPROP :	3010

	<u>PBR</u>	<u>HASC</u>	SASC	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	APPN CONF	
DOLLARS:	\$123,265	123,265	123,265	108,265	108,265	78,265	93,265	
QUANTITY:	3	3	3	3	3	3	3	******

HAC:

## JOINT PRIMARY AIRCRAFT TRAINING SYSTEM (JPATS)

The Air Force budgeted \$123,265,000 for initial production of the Joint Primary Aircraft Training System (JPATS). The Committee recommends \$108,265,000, a reduction of \$15,000,000 to the budget request. The Committee fully supports the JPATS program which will standardize and modernize initial pilot training in the Departments of the Air Force and Navy and urges that the production phase of the program commence without further delay.

The Committee is disturbed to learn that of the entire budget request for JPATS in fiscal year 1995 only \$13,800,000 is available for procurement of airframes and engines. The balance is requested for non-recurring program start-up costs which, given the commercial off-the-shelf nature of the program, the Committee believes to be excessive. The Committee therefore recommends the reduction of \$15,000,000 to the JPATS program.

HAC, p. 174

#### SAC:

Joint Primary Aircraft Trainer [JPATS] Program.-The budget requests \$123,265,000 for the initial production of three JPATS trainers. The Committee concurs in the rationale of the House which reduces funding by \$15,000,000 noting that the vast majority of funds requested for this commercial off-the-shelf nondevelopmental program are not to buy the three aircraft requested, but are for nonrecurring and other support requirements. The Committee recommends a reduction of \$45,000,000 of the \$92,300,000 requested for these purposes.

**SAC, p. 188** 

## APPN CONF:

Amendment No. 212: Inserts and amends Senate language that provides funds for the Joint Primary Aircraft Training System program.

Appn Conf, p. 169 (Gen Prov)

TITLE: TANKER, TRANSPORT TRAINER SYS APPROP: 3010

	<u>PBR</u>	<u>HASC</u>	SASC	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	APPN CONF	
DOLLARS:	\$155,163	145,163	155,163	155,163	145,163	155,163	155,163	
QUANTITY:	32	32	32	32	32	32	32	******

HAC:

## COMMITTEE RECOMMENDATIONS

## **AUTHORIZATION CHANGES**

The Committee recommends the following changes to the budget request in accordance with House authorization action:

Item	Budget request	Committee recommended	Change from request
Tanker, transport, trainer system	155,163	145,163	-10,000
War consumables	26,587	18,587	-8,000
		F	HAC, p. 172

TITLE: E-8B APPROP: 3010

	<u>PBR</u>	<u>HASC</u>	SASC	AUTH CONF	HAC	SAC	APPN CONF	
DOLLARS:	\$445,339	445,339	545,239	445,339	445,339	440,539	440,539	
QUANTITY:	2	2	2	2	2	2	2	******

## **SASC:**

Joint surveillance target attack radar system (JSTARS)

The budget request included \$564.2 million to modify two aircraft to the JSTARS configuration.

The committee has been a longstanding supporter of the JSTARS program and the capability that the system will provide to U.S. operating forces. Even as a developmental platform in the Persian Gulf War, the JSTARS system showed enormous potential. The committee believes that the Department should acquire this capability as rapidly and efficiently as possible. In that light, the Secretary of the Air Force has informed the Congress that there may be an opportunity to purchase a number of used B-707 aircraft in a common configuration that could later be modified to the JSTARS configuration. Having the same configuration aircraft would yield significant savings throughout the life of the program by streamlining the operation and support infrastructure costs. The Air Force believes that this proposal could also yield nearer-term acquisition savings.

Therefore, the committee recommends an additional \$99.9 million to purchase used B-707 airframes of common configuration for later use in the JSTARS program.

## **SASC**, p, 39

## Korea surveillance initiative

The committee recommends a provision that would authorize the Army to use the savings from early retirement of OV-1 aircraft currently deployed in Korea to lease a replacement MTI radar surveillance capability, provided that:

- (1) the system is deployed within six months of the enactment of this Act;
- (2) the Republic of Korea pays half the cost of the lease;
- (3) the leasing contract includes a provision that would enable the Republic of Korea to purchase the aircraft once the joint surveillance and target attack radar system (JSTARS) program reaches initial operational capability (IOC); and
  - (4) the lease expires within six months of the currently planned IOC date of the JSTARS system.

In view of the heightened tension on the Korean peninsula, maintaining adequate warning and surveillance capabilities is essential. Some in the Department of Defense appear to be under the misapprehension that the law requires retirement of the OV-1 Mohawk observation aircraft by October 1, 1996. The committee notes that a waiver of section 1439(b)(2) of Public Law 101-510 was provided by section 1024 of the National Defense Authorization Act for Fiscal Years 1992 and 1993. The committee sees no reason why the Secretary of Defense would be unable to exercise the waiver option, based on current plans and the status of the

JSTARS program. Accordingly, the impending retirement of the OV-1 is not a sufficient justification for seeking resources or authority to buy new capabilities for U.S. forces in Korea.

If, however, the Secretary of Defense determines that the OV-1 is incapable of providing adequate support for forces in Korea before the JSTARS system is fielded, the provision would enable the Army to acquire additional capabilities. The committee views this potential requirement as interim only, until JSTARS is fielded. If the Secretary determines that JSTARS will not be able to provide indications and warning on a routine basis in Korea subsequent to JSTARS fielding, the committee firmly believes that the Republic of Korea can and should provide this capability.

The committee directs the Department to notify and consult with the congressional defense and intelligence committees before adopting any solution other than retention of the OV-1 or temporary leasing of surveillance aircraft. The committee notes that JSTARS is the sole, wide-area moving target indicator (MTI) radar system planned for the Department of Defense. The committee sees no reason to proliferate other wide-area MTI radar systems. Therefore, the committee will not tolerate proliferation of other, less capable systems.

SASC, p. 50 (Army Proc)

#### SAC:

E-8B joint surveillance target attack radar system.-The Committee recommends an increase of \$99,900,000 in advance procurement funds for the JSTARS Program as authorized by the Senate. The Air Force is directed to use the additional funds to purchase up to 12 B-707 airframes for future JSTARS. The Committee notes that these funds may only be used to the extent that the Air Force can achieve significant cost savings by purchasing the additional airframes at one time and only if the future years defense plan for fiscal year 1996 includes the purchase of at least 12 JSTARS aircraft.

The Committee allowance also reduces engineering change order funds by \$4,800,000, as was recommended by the Air Force in the omnibus reprogramming for the fiscal year 1994 program.

SAC, p. 188-189

TITLE: BOMBER FORCE UPGRADE PROGRAM APPROP: 3010

<u>AUTH</u> <u>APPN</u>

PBR HASC SASC CONF HAC SAC CONF

DOLLARS: \$0 100,000

**QUANTITY:** 

#### **HASC:**

Bomber force upgrade program (B-FUP)

The committee remains concerned that the number of long-range bombers programmed in the Department's force plan are inadequate to support requirements for two major regional contingencies. Therefore, the committee supports additional funds to enhance the quality and quantity of projected forces as required.

Accordingly, the committee recommends a provision (sec. 133) that would authorize \$100 million for a bomber force upgrade fund. The committee directs the Secretary of the Air Force to use these funds for the purposes of: (1) supporting additional B-1 or B-52 bombers that would otherwise become attrition reserve aircraft; and/or (2) accelerating upgrades to the B-1 or B-52 bombers. Finally, the committee directs the Secretary to report to the congressional defense committees 30 days prior to obligating these funds.

**HASC**, p. 55

#### **AUTH CONF:**

Bomber improvements

The Senate bill would provide \$90.0 million for improved interim conventional weapons for heavy bombers.

The House amendment would provide \$100.0 million for both accelerating conventional weapon upgrades on B-1B bombers and for transferring heavy bombers from attrition reserve status to the active inventory.

The conferees agree to recommend the following funding:

- (1) \$37.5 million for testing and conversion of the nuclear air-launched cruise missile to conventional weapons capability;
- (2) \$40.0 million for the acquisition of GPS-aided munition system (GAMS) weapons and for testing of the brilliant anti-tank (BAT) submunition in a tactical munitions dispenser;
- (3) \$5.3 million in procurement and \$18.1 million in operation and maintenance funds for the restoration of 24 B-52H bombers from attrition reserve status to active status; and
  - (4) \$16.9 million for the acceleration of the integration of the joint direct attack munitions (JDAM) family of weapons onto the B-1B bomber. **Auth Conf. p. 525**

SEO NO.: 018A-10P

Enhanced bomber capability fund (sec. 133)

The Senate bill contained a provision (sec. 141) that would provide \$150.0 million for a bomber industrial base fund and exempt those funds from the existing B-2 bomber cost cap.

The House amendment contained a provision (sec. 132) that would provide that any expenditures by the Department of Defense to preserve the B-2 bomber industrial facilities would be charged against the B-2 bomber cost cap.

The House recedes with an amendment.

The conferees agree to recommend \$125.0 million for an enhanced bomber capability fund. The conferees further agree to require the Secretary of Defense to conduct new analyses of both bomber requirements in the near term and long term, and, should the Secretary conclude that the planned bomber program does not meet those requirements, examine alternative strategies to enhance bomber capabilities to meet those requirements and report his results to the congressional defense committees no later than April 15, 1995. Requirements would be defined, and bomber capabilities measured, for three time periods: 1998, 2006, and 2014.

In the event the Secretary determines that additional bomber capabilities are required, he shall examine alternative strategies for acquiring them, including, but not limited to:

- (1) acceleration of planned upgrades to existing bombers and additional munitions and support for them;
- (2) initiation of a program to develop a new, lower-cost "next generation" bomber oriented toward conventional warfare; and
- (3) a resumption of low-rate production of additional B-2 bombers, or variants thereof, oriented toward conventional warfare.

As part of these analyses, the Secretary shall determine those core capabilities, which would take extended periods of time or substantial expense to regenerate and which are in imminent danger of being lost, that are needed to maintain the ability to design, develop, and produce bombers in the near term or long term.

While the analyses are ongoing, the Secretary may obligate up to \$100.0 million both to conduct these analyses and to preserve those parts of the core capabilities described above. The conferees believe that the Secretary should report to Congress where and why such funds are to be spent before obligating them. The conferees understand that, because these assessment of the bomber industrial base will proceed over time, the Secretary may determine at various times throughout the study periods the need to fund appropriate core capabilities of the base.

Following completion of these analyses and an interim report on bomber issues from the Commission on Roles and Missions, but not later than July 1, 1995, the Secretary shall report the results, and his recommendations thereon, to the congressional defense committees. Thereafter, he may obligate all remaining unobligated balances to implement his recommendations, including funds for further preservation of core capabilities, if he so recommends.

Should the Secretary conclude from his analyses that a new "next-generation" bomber is required, he may obligate up to \$25.0 million for requirements formulation and conceptual studies for a conventional-conflict-oriented, lower-cost next-generation bomber.

SEO NO.: 018A-10P

The conferees agree that none of the enhanced bomber capability funds may be used for advance procurement of new B-2 bomber aircraft, including long-lead items, and that subsections (c) and (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1994, which established cost and numerical caps on the B-2 program, are unaffected by any provision in this act.

Auth Conf, p. 552-553

Bomber force upgrade program

The House amendment contained a provision (sec. 133) that would provide \$100.0 million for a bomber upgrade fund.

The Senate bill contained no similar provision.

The House recedes. Funding for bomber improvements is described elsewhere in this statement of the managers.

Auth Conf, p. 555

SEQ NO.: 018A-10P

TITLE: BOMBER INDUSTRIAL BASE/ENHANCED BOMBER CAP FUND APPROP: 3010

<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	<u>SAC</u>	APPN CONF
		150,000	125,000		150,000	125,000

**OUANTITY:** 

DOLLARS:

# **AUTH CONF:**

Enhanced bomber capability fund (sec. 133)

The Senate bill contained a provision (sec. 141) that would provide \$150.0 million for a bomber industrial base fund and exempt those funds from the existing B-2 bomber cost cap.

The House amendment contained a provision (sec. 132) that would provide that any expenditures by the Department of Defense to preserve the B-2 bomber industrial facilities would be charged against the B-2 bomber cost cap.

The House recedes with an amendment.

The conferees agree to recommend \$125.0 million for an enhanced bomber capability fund. The conferees further agree to require the Secretary of Defense to conduct new analyses of both bomber requirements in the near term and long term, and, should the Secretary conclude that the planned bomber program does not meet those requirements, examine alternative strategies to enhance bomber capabilities to meet those requirements and report his results to the congressional defense committees no later than April 15, 1995. Requirements would be defined, and bomber capabilities measured, for three time periods: 1998, 2006, and 2014.

In the event the Secretary determines that additional bomber capabilities are required, he shall examine alternative strategies for acquiring them, including, but not limited to:

- (1) acceleration of planned upgrades to existing bombers and additional munitions and support for them;
- (2) initiation of a program to develop a new, lower-cost "next generation" bomber oriented toward conventional warfare; and
- (3) a resumption of low-rate production of additional B-2 bombers, or variants thereof, oriented toward conventional warfare.

As part of these analyses, the Secretary shall determine those core capabilities, which would take extended periods of time or substantial expense to regenerate and which are in imminent danger of being lost, that are needed to maintain the ability to design, develop, and produce bombers in the near term or long term.

While the analyses are ongoing, the Secretary may obligate up to \$100.0 million both to conduct these analyses and to preserve those parts of the core capabilities described above. The conferees believe that the Secretary should report to Congress where and why such funds are to be spent before obligating them. The conferees understand that, because these assessment of the bomber industrial base will proceed over time, the Secretary may determine at various times throughout the study periods the need to fund appropriate core capabilities of the base.

Following completion of these analyses and an interim report on bomber issues from the Commission on Roles and Missions, but not later than July 1, 1995, the Secretary shall report the results, and his recommendations thereon, to the congressional defense committees. Thereafter, he may obligate all remaining unobligated balances to implement his recommendations, including funds for further preservation of core capabilities, if he so recommends.

Should the Secretary conclude from his analyses that a new "next-generation" bomber is required, he may obligate up to \$25.0 million for requirements formulation and conceptual studies for a conventional-conflict-oriented, lower-cost next-generation bomber.

The conferees agree that none of the enhanced bomber capability funds may be used for advance procurement of new B-2 bomber aircraft, including long-lead items, and that subsections (c) and (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1994, which established cost and numerical caps on the B-2 program, are unaffected by any provision in this act.

**AUTH CONF, p. 552-553** 

HAC:

#### STRATEGIC BOMBER INDUSTRIAL BASE

The Committee expresses its serious concern that the total size and optimal composition of the strategic, long range bomber force has yet to be adequately determined by the Defense Department. The Bottom Up Review recommended that a total bomber force of 184 aircraft was required to support the execution of two near simultaneous major regional contingencies (MRC). Yet the fiscal year 1995 Air Force budget request proposes a total bomber force structure substantially lower than the stated requirement.

The B-2 aircraft is the only long range, stealthy bomber in the military inventory. The production program for the B-2 is also nearing completion, which will result in the dismantling of the• B-2 industrial base. The Committee believes that the Defense Department must continue to review the bomber force structure to assure that it can support the two MRC strategy as called for in the Bottom Up Review. The Committee also believes that the Department must take responsible action to preserve the option to sustain the B-2 production base should future requirements dictate. The Committee, therefore, urges the Department of the Air Force to the extent practicable to maintain key production capabilities for the B-2 aircraft. The Committee also directs that the implementation of any B-2 industrial base sustainment plan should emphasize the acquisition of aircraft components which would support the B-2 logistical requirements if additional aircraft are not acquired.

HAC, p. 172

SAC:

Bomber industrial base. The Committee recommends \$150,000,000 for maintaining the bomber industrial base, as authorized by the Senate. The Committee notes that these funds are expected to allow for the preservation of the capacity to produce critical components of the B-2 bomber for 1 additional year. The Committee expects to reexamine this issue next year following the submission of the bomber cost and operational effectiveness study.

**SAC**, p. 187

# **APPN CONF:**

# ENHANCED BOMBER CAPABILITY FUND/BOMBER INDUSTRIAL BASE

The conferees remain very concerned about the current long range bomber force structure, and the means by which to improve its overall size, composition, and capability. As such, the conferees provide \$125,000,000 to help sustain the bomber industrial base.

Given the demonstrated requirement for U.S. bombers in the rapidly changing national security environment, the conferees are worried that the last remaining U.S. bomber production capability, the B-2 industrial base, is being dismantled before adequate analysis has been completed to determine the proper long range, heavy bomber force structure. Independent studies have concluded that the 20 B-2 aircraft now on order are simply not enough to provide a militarily significant and cost effective long range conventional bomber force. The conferees regard the initiative to protect the option to produce additional B-2 bombers for one more year as critically important to U.S. national security.

Accordingly, the appropriation of these funds is intended to demonstrate to the Department the importance the conferees attach to the preservation of our only remaining bomber production capability. Upon the enactment of this Act, the Secretary of Defense shall utilize this \$125,000,000 to ensure the B-2 production base remains a viable option for at least one more year.

The Commission on Roles and Missions, as established by the Congress last year, is one vehicle for providing the Congress with a considered opinion on the proper B-2 stealth bomber inventory that the Air Force should maintain. Therefore, the conferees direct the Commission to specifically address this issue in its report, not only in the context of the preservation of the industrial base, but for the critical capability the B-2 provides to our national security. The Commission is directed to report its findings to the Congressional defense committees. If warranted by the findings of the Commission, the Secretary of Defense shall also develop an acquisition plan for sustained low rate production of additional B-2 bombers as a force modernization option and submit it to the defense committees.

The conferees note that the Congress has previously established a cost cap of \$44.4 billion on the original 20 B-2 bomber program. It is the judgment of the conferees that, because the expenditure of the \$125,000,000 is for studies, analysis and other efforts to preserve the B-2 industrial base and to improve the size and composition of our long range, heavy bomber force required to meet two MRCs, these funds are unrelated to the orderly conclusion of the ongoing 20 B-2 aircraft program. Therefore, the funds provided herein for this purpose will not be counted against the statutory cost cap.

The 1995 National Defense Authorization Act provides funds for these purposes in the Enhanced Bomber Capability Fund. The conferees believe that the terms Enhanced Bomber Capability Fund and Bomber Industrial Base are interchangeable and should be viewed by the Defense Department as the same program.

Appn Conf, p. 95-96

SEQ NO.: 018B-10P

TITLE: B-2A APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>		
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	<u>SAC</u>	<b>CONF</b>		
\$65,136	65,136	65,136	65,136	65,136	65,136	65 126		
\$03,130	03,130	03,130	03,130	03,130	03,130	65,136		

QUANTITY:

DOLLARS:

# SAC:

B-2 depot maintenance. The Committee recommends continuation of the provision Congress adopted last year regarding the use of any funds for organic depot maintenance until DOD submits a report explaining its intentions in this area. The report, which was due in May, has still not been delivered. The Committee notes it has fully funded the request for depot support activities for the B-2, and is aware that no funds were requested specifically for organic depot support. Nonetheless, the Committee insists that no funds be spent for organic capability unless and until the Defense Department submits the aforementioned report.

**SAC**, p. 190

TITLE: B-1B APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>		
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>		
\$45,583	45,583	45,583	45,583	30,583	45,583	40,583		

QUANTITY:

DOLLARS:

# **AUTH CONF:**

Retirement of bomber aircraft (sec. 134)

The Senate bill contained a provision (sec. 132) that would prohibit retirement of any B-52, B-1B, or F-111 aircraft during fiscal year 1995, and contained \$18.0 million in operation and maintenance funds to retain additional B-52H aircraft in attrition reserve status.

The House amendment contained no similar provision.

The House recedes and agrees to the inclusion of \$18.0 million in operation and maintenance funds to retain B-52 bombers.

Auth Conf, p. 553

HAC:

B-1B

The Air Force budgeted \$45,583,000 for the B1-B modification program. The Committee recommends \$30,583,000, a reduction of \$15,000,000 to the budget request. The existence of substantial unobligated program balances makes this reduction possible without affecting the execution of the modification program.

HAC, p. 175

********	**************************************	***
TITLE 5 50	A DDD OD 2010	

TITLE: B-52		APPROP: 30	010					
				<u>AUTH</u>			<u>APPN</u>	
	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	<u>SAC</u>	<u>CONF</u>	
DOLLARS:	\$25,800	25,800	25,800	25,800	32,800	25,800	32,800	
OUANTITY								

# QUANTITY:

#### **SASC:**

Improving the bomber force and preserving bomber options

The committee has demonstrated a steadfast commitment over the years to supporting, and initiating when necessary, the programs needed to ensure a robust and effective bomber force, including the needed weapons. Thus, the committee has strongly supported the recommendations in the Air Force "Bomber Roadmap" of June 1992. This report identified a requirement for 184 total bombers, armed with precision conventional munitions, to deal with a single major regional contingency (MRC) in which an enemy armored force had begun a short-warning invasion of the territory of an ally.

The new Administration undertook a comprehensive review of future force requirements necessary to successfully deal with a variety of possible contingencies. This Bottom-Up Review (BUR) ultimately determined that the United States should retain the capability to deal with two "nearly simultaneous" MRCs. The BUR also called for a total force of 184 bombers, in order to provide "100 deployable" heavy bombers for each MRC. This analysis assumes that the highly-capable and stealthy B-2s would be shifted from the first theater to the second, once that second MRC began to unfold.

The BUR identified important roles for bombers armed with advanced conventional munitions. It concluded that, under many short-warning scenarios, long-range bombers and carrier-based tactical aircraft would be the only U.S. forces available early in a conflict to help a beleaguered ally defend itself against an invading armored force. This long-range offensive strike capability would be operational while U.S. ground and tactical air reinforcements were being deployed to the theater, and waiting for their required logistics chain to be established. U.S. reinforcements might have to "fight their way in" against future theater air and missile threats.

Viewed in the context of these demanding requirements, the committee finds the Department of Defense's bomber force posture and funding proposals unacceptable:

- (1) The "Bomber Roadmap" and the BUR called for a force structure of 184 bombers, yet the budget request funds only 100 during fiscal year 1995, and only 80 thereafter. The committee believes this is inadequate to meet current and future requirements.
- (2) Four recent independent studies all find that the planned DOD force structure of 80 to 100 non-stealthy bombers with only 20 B-2s is inadequate to deal with two MRCs. DOD has been unable to offer a coherent and consistent explanation for these discrepancies.
- (3) DOD appears unwilling to consider options for interim precision weapons for bombers, preferring to wait until the end of the decade for the tri-Service standoff attack missile (TSSAM) and the joint direct attack munitions (JDAM) family of weapons. Should conflict be thrust upon the United States before then, the bomber force would have only "dumb" iron bombs available. The committee believes interim precision weapon capabilities for bombers are both feasible and an inexpensive hedge.
  - (4) DOD has settled on a force structure and modernization plan before it has completed numerous ongoing analyses and tests that bear on those plans:
  - (a) The Nuclear Posture Review, which includes bomber requirements for maintaining nuclear deterrence, is still ongoing. The Secretary of Defense has testified that the bomber review is "unfinished business."

- (b) The independent Roles and Missions Commission is examining bomber force structure tradeoffs with other military forces. The Commission will not submit its report on force structure tradeoffs until next summer.
  - (c) An important test of B-1B bomber operational readiness has just begun; results will not be available before next spring.
- (5) The committee believes that, if DOD intends to reduce the bomber force level to between 80 and 100 non-stealthy bombers, then more than 20 B-2 stealth bombers will be required to meet the demands of a two-MRC scenario. Yet the final B-2 bombers are moving down the assembly lines, and more and more subcontractors and facilities are completing deliveries. The production base for bombers is rapidly disappearing.

Thus, the committee found itself with many unanswered questions as it addressed the current budget request. The committee decided to set in motion a process to ensure that DOD and the committee will be better prepared to address bomber requirement issues during the fiscal year 1996 budget cycle. To accomplish this, the committee directs specific actions in the following subsections in order to:

- (1) preserve all bomber force structure options for one year;
- (2) preserve the bomber industrial base for one year;
- (3) receive the results of further bomber force structure and effectiveness analyses prior to next year's defense budget deliberations; and
- (4) begin procurement of improved interim conventional weapons for bombers.

In summary, the committee recommendations would prevent DOD from retiring any B-52 or B-1 bombers this year, fully fund planned conventional upgrades for those bombers, preserve the B-2 industrial base for one year, initiate a program to acquire limited numbers of effective bomber weapons within the next two years, and direct numerous analyses to better prepare DOD and the Congress to decide future bomber force structure issues next year.

#### PRESERVATION OF BOMBER FORCE STRUCTURE OPTIONS

The committee has concluded that the planned bomber force level of between 80 and 100 is insufficient to meet current and future requirements, unless additional B-2 bombers are to be procured. Further, the ongoing Nuclear Posture Review is to address additional requirements for bombers to contribute to the maintenance of deterrence. The Roles and Missions Commission is to examine force tradeoffs including bombers. In other sections of this report, the committee also directs several independent studies of bomber issues. Therefore, the committee believes that all force structure options should be kept open at least through the next budget cycle.

First, the committee directs the Secretary of Defense not to retire any B-52H or B-1B bomber aircraft. All 95 B-52H and all 95 B-1B bombers (excluding one non-flying weapons-loading trainer B-1B aircraft) shall be retained, and any B-52H bombers transferred to Davis Monthan AFB before the date of this report shall be promptly returned to the Air Force Air Combat Command, for incorporation in an expanded B-52H attrition reserve. The committee understands that \$18.0 million in operation and maintenance funds is required in fiscal year 1995 to retain all 47 B-52H aircraft in attrition reserve status. The committee adds O&M funds for this purpose.

Second, although the Air Force plans to retain 26 B-1B bombers in attrition reserve status through the period of the Future Years Defense Program (FYDP), it has not funded the incorporation of either the conventional weapons upgrades or the new ECM system on those B-1s. Third, the Air Force has seriously underfunded the conventional improvements and ECM upgrades on the active inventory of B-1B bombers. This underfunding results in a one-year delay in the introduction of the JDAM family of weapons and a six-year delay in TSSAM capability on the B-1B, relative to their incorporation on B-52H bombers. The B-1B ECM program is also under-funded, resulting in a delay in installation until 2003. This, for the Air Force's self-proclaimed "backbone of the bomber force."

SEQ NO.: 022-10P

In the next FYDP submission, the committee directs the Air Force to fully fund the bomber conventional munitions upgrade programs for both B-1 and B-52 bombers, including funds for full modifications to all bombers proposed to be retained, whether in the active inventory or in an attrition reserve category. The committee understands this requires no increase in fiscal year 1995 funding, but will increase FYDP funding requirements for the B-1B bomber by approximately \$70 million, if all 95 B-1B bombers are retained.

The committee recommends fully funding the respective budget requests for RDT&E and procurement for fiscal year 1995 for the B-52H, the B-1B, and the B-2 bomber programs.

#### PRESERVING THE BOMBER INDUSTRIAL BASE

The committee has received testimony from Air Force and other witnesses regarding the desirability of maintaining an industrial base for the production of bombers, as DOD already is implementing for submarines, naval nuclear propulsion, and the tank industrial base. The committee also is in receipt of testimony and recent studies on the contributions that additional B-2 bombers could provide in future conventional conflicts. The committee is also aware of a proposal by the Northrop Corporation to produce a variant of the B-2 bomber that would have only a conventional weapons capability. Deletion of items on the B-2 related to nuclear missions would reportedly reduce the unit flyaway cost of a conventional-only stealth bomber by some \$25-30 million per aircraft.

In view of the unsettled future requirements for heavy bombers, together with the additional studies and analyses of bomber force structure and industrial base options requested elsewhere in this report, the committee considers it prudent to recommend \$150.0 million in order to preserve a portion of the bomber industrial base for one year.

Funds appropriated pursuant to this authorization are to preserve tooling in ready status, preserve a production capability for spare parts within the lower-tier vendor structure, and develop detailed production plans for a conventional-capability-only B-2 bomber. Funds may not be used to procure any major structural B-2 item that would not be procured by the Air Force as an item of initial or sustaining spares. This recommendation would not authorize a twenty-second B-2 bomber; rather, it would allow DOD and the Congress time to gather further information on future bomber requirements, including industrial base requirements. Funds appropriated pursuant to this authorization would be exempt from section 131(d) of Public Law 103-160.

#### FURTHER BOMBER FORCE ANALYSES

The committee has directed bomber force structure questions to Department of Defense and other witnesses at more than a dozen hearings since the fiscal year 1995 budget request was submitted. The answers are, in totality, incomplete; many are inconsistent with others. The thrust of testimony from DOD witnesses is inconsistent with the published results of the Bottom-Up Review, as well as with the Air Force's 1992 "Bomber Roadmap", and with recent detailed analyses carried out by major defense contractors such as Boeing and Rockwell, by "think tanks" such as the RAND Corporation, and by respected independent analysts.

DOD has not revealed its own detailed analyses supporting its decisions to sharply reduce the bomber force structure. Nor has it attempted to refute any of the studies noted above, all of which call for substantially larger bomber forces than proposed in the budget request. Results of several of the independent studies show that a heavy bomber force reduced to the size and composition that DOD proposes to fund would be inadequate to prevent major losses in the opening phases of a two-MRC scenario, and would run high risk of failure even in single-MRC scenarios.

SEQ NO.: 022-10P

I-47

Given these substantial and unresolved differences between the new DOD bomber force levels and those derived in widely-available outside analyses, the committee is reluctant to make the irrevocable commitment to a smaller bomber force that would be brought about by approval of the current budget request for bombers.

Accordingly, the committee directs the Secretary of Defense to reconstitute the independent review group originally mandated under section 121(e) of Public Law 101-189 for the purpose of reconciling the analyses of bomber forces conducted by the Department in support of the Bottom-Up Review and the recent analyses conducted by outside experts. The committee is seeking to understand how such striking differences in overall outcomes can arise-whether they are the result of different assumptions about numbers of targets, or about warning and deployment times available, or about munitions effectiveness. The review group should also pay particular attention to assumptions about the length of time required to establish full supply lines to theater-based forces in the presence of a theater ballistic missile threat. The committee directs the Secretary to ensure full access by the independent review group to models, personnel involved, and assumptions used in Bottom-Up Review analyses, including the illustrative scenario presented to this committee at a classified hearing on March 9, 1994. The independent review group should provide its analysis and results in both classified and unclassified form to the Secretary and the congressional defense committees not later than February 1, 1995.

Second, the committee urges the Roles and Missions Commission established by subtitle E of title IX of Public Law 103-160 to review thoroughly the capabilities of bombers and carrier-based air forces in the early phases of a short-warning MRC when enemy actions may constrain our ability to provide land-based tactical air power and ground force reinforcements. The committee believes that an important early contribution by carriers to the defeat of an armored incursion may reside in Navy combat air patrols (CAP) and suppression of organic enemy air defense assets (SEAD), allowing non-stealthy Air Force bombers to deliver large weapons payloads with improved survivability. Traditional tactical air support missions, such as CAP, SEAD, and jamming, may only be available from carriers until land bases can be secured and supply lines to the theater established.

The committee expects the Commission to also consider tradeoffs between more stealthy aircraft and fewer support assets such as those for CAP and SEAD, to reduce the deployment lift requirements, the personnel placed at risk in the theater of operations, and the extensive resupply requirements. The Commission should evaluate, in particular, the kinds of tradeoffs presented by the Air Force during testimony on the Department of Defense Authorization Act for Fiscal Years 1992 and 1993 (S. Hrg. 102-255, Pt. 7, p. 794).

The committee looks forward with keen anticipation to the recommendations of the Roles and Missions Commission, and hopes its findings will shed additional light on future bomber requirements in time for action on the fiscal year 1996 request. To ensure the Commission has adequate independent expertise, the committee also recommends a provision that would authorize the Commission to draw upon the capabilities of the Department's federally funded research and development centers during fiscal years 1994 and 1995, for up to \$20.0 million in assistance.

Third, by the Secretary's own admission, the need to maintain some sort of bomber industrial base was not well-analyzed in the BUR. The Congress has, on several past occasions, relied upon the RAND Corporation to examine sensitive aspects of the B-2 bomber program. The committee believes that this background and RAND's long experience in acquisition and industrial base research warrant its directing the Secretary of Defense to ask the RAND Corporation to conduct an independent analysis of the need for the Defense Department to provide some industrial base protection for future bomber production requirements, as it has already determined to be necessary for the submarine and tank industrial bases. The RAND analysis and recommendations for whether, and, if so, how, to preserve an industrial base capability for bombers should be provided to the congressional defense committees not later than March 1, 1995.

None of these outside efforts are intended to preclude the Secretary of Defense from continuing to evaluate bomber force structure and effectiveness options and tradeoffs; to the contrary, he is encouraged to do so. The committee hopes that the defense budget request for fiscal year 1996 and the accompanying FYDP will present a clear and coherent bomber roadmap to the Congress.

SEQ NO.: 022-10P

#### "INTERIM" CONVENTIONAL WEAPONS FOR BOMBERS

There are several possibilities for adding interim precision weapons capabilities to existing bombers. All would be limited in numbers and higher in cost than the precision munitions-the JDAM family of weapons-now in development for deployment near the end of the decade. The initial JDAM weapon, a guided 2000 lb. bomb, will greatly improve bomber effectiveness against fixed targets. However, it is not well-suited to defeat armored formations. Apart from the TSSAM, which offers both anti-armor submunitions and standoff delivery, bomber capabilities against armored incursions will remain limited into the next decade. Current tactical munitions dispensers (TMDs) containing anti-armor submunitions require low-altitude direct overflight delivery; as the British Tornado experience during Operation Desert Storm makes plain, this is a costly delivery tactic. The Air Force has announced plans to develop a "wind-corrected TMD" containing an inertial guidance unit, to allow delivery with some standoff capability from medium altitude and above of anti-armor submunitions from a wide variety of fighter and bomber aircraft. Unfortunately, the Air Force has yet to identify funding requirements for this approach and the planned initial operating capability (IOC) is not earlier than the end of the decade. Thus, this approach will not provide an "interim" capability.

The interim weapons possibilities include the following: further conversions of the nuclear-armed air launched cruise missile (ALCM) to any of several improved conventionally-armed ALCM capabilities (CALCM); a limited purchase of additional GPS-aided munitions system (GAMS) R&D weapons being developed as part of the GATS/GAMS capability to be tested on both B-1 and B-2 bombers; and incorporation of brilliant anti-tank (BAT) anti-armor submunitions in a TMD for high-altitude bomber delivery against armored formations.

For the CALCM, there are three separate options, each with a different delivery date and cost: (1) a modest improvement on the CALCMs used at the beginning of Operation Desert Storm; (2) a major improvement including better stealth and a penetrating warhead capability; and (3) a more ambitious effort to incorporate various anti-armor submunitions (WAM, SFW, and/or BAT) in a significantly modified ALCM. Any of the CALCM versions would be deliverable by B-52s, B-1Bs and Block 30 B-2s, and would provide substantial standoff range for the non-stealthy bombers. The committee understands that ALCM missiles are in such over-supply that some 150 ALCMs have been sent to storage areas outside of main operating bases.

The GAMS options would continue the production of the weapon guidance kits beyond the 42 that will be required for the B-2 GATS-GAMS test program. Additional production of GAMS kits would provide additional test weapons for the B-2, and for the B-1B bomber if its radar is found suitable, providing a limited contingency stockpile of precision bomber weapons. Northrop has proposed to deliver 128 additional GAMs weapons kits starting in mid-1996, for \$25.0 million.

A third option is to explore delivery of the BAT submunition from a slightly-modified, unguided TMD, for delivery from medium altitude. The BAT submunition has a large target acquisition range and footprint, which could offset somewhat the effect of wind drift on a TMD descending from medium altitude. An interim approach using the BAT would be to test its capability in an unguided TMD to determine whether medium-altitude release of this weapon from a platform with self-contained precision target location capabilities (such as the B-2) could reliably place the unguided dispenser within the lethal range of the submunitions. It appears this concept could be demonstrated and flight tested by mid-1996 for about \$25.0 million. If these tests were successful, interim BAT/TMD weapons could be available by late 1997.

Of the interim options discussed above, the committee considers all but the second CALCM option to be worth pursuing vigorously, under streamlined acquisition procedures to ensure early availability of interim weapons. Three hundred of the CALCM-I version could be delivered during the last half of 1996 and the first half of 1997 at a unit cost of less than \$200,000. If an early demonstration of the anti-armor version of the CALCM were successful, 300 CALCM-III weapons could be delivered in late 1997 and 1998, at a unit cost of about \$400,000. Therefore, the committee recommends \$40.0 million for modifications to demonstrate the capability to dispense anti-armor submunitions from a modified ALCM, develop in-flight targeting updates for a proposed CALCM-III missile, and begin conversion of existing ALCM missiles to the CALCM-I configuration. The Air Force is authorized to procure up to 100 CALCM-I missiles with the recommended funds. The committee expects the Air Force to request both adequate funds to demonstrate the CALCM-III concept, and to procure an additional 200 CALCM-I missiles in fiscal year 1996, so long as the contracted unit price per missile for a lot of 300 conversions remains below \$200,000 per missile, not including government-furnished equipment. The committee expects the Department to negotiate a firm fixed-price contract for the additional CALCM-I conversions.

SEQ NO.: 022-10P

The committee also recommends \$25.0 million to procure an additional 128 GAMS kits, in order to provide an interim capability for B-2 and, should GATS tests prove successful, B-1 bombers.

The committee further recommends \$25.0 million to conduct a flight-test demonstration of the possibility of delivering BAT submunitions with sufficient accuracy from an unguided TMD released from medium altitude.

The committee stresses to the Secretary of Defense the urgency it attaches to all of these interim weapons proposals, and directs him to ensure that these programs are carried out expeditiously, under streamlined acquisition procedures, and with a minimum of bureaucratic red-tape.

The committee observes that, even if all of the programs discussed above were successfully carried to fruition, the resulting inventory of interim precision weapons would be modest-no more than a few sorties per bomber. Therefore, the committee sees no need to increase the planned bomber force structure from the proposed level of 40 active B-52H and 60 active B-1B bombers, until such time as JDAM and TSSAM deliveries have increased the available precision munitions stockpiles.

Finally, the committee directs the Secretary to evaluate the recommendation by the RAND Corporation contained in testimony before the committee that the JDAM program be extended to include 1,000-lb. and 500-lb. iron bombs. The Secretary shall provide to the congressional defense committees a report on the cost-effectiveness of this action not later than April 30, 1995.

# SASC, p. 54-61

#### **AUTH CONF:**

Retirement of bomber aircraft (sec. 134)

The Senate bill contained a provision (sec. 132) that would prohibit retirement of any B-52, B-1B, or F-111 aircraft during fiscal year 1995, and contained \$18.0 million in operation and maintenance funds to retain additional B-52H aircraft in attrition reserve status.

The House amendment contained no similar provision.

The House recedes and agrees to the inclusion of \$18.0 million in operation and maintenance funds to retain B-52 bombers.

Auth Conf, p. 553

SAC:

#### COMMITTEE RECOMMENDED ADJUSTMENTS

Bomber cost effectiveness.-The plan put forward by the Air Force regarding its bomber force structure has left many in Congress with an uneasy feeling. While the "Bottom-up Review" suggested that 100 bombers would be required for one major regional contingency [MRC], the Air Force plans to maintain a fleet of only 108 bombers for two MRC's. The House responded to this plan by authorizing a bomber upgrade program. The Senate authorized additional funds for bomber industrial base and directed that the current bomber force structure be maintained. The Defense Department is apparently reconsidering its bomber force structure for the future in light of the unanswered questions raised by the Congress.

The Committee notes several inconsistencies in the Air Force plan. For example, while 48 B-1 bombers are to be combat coded, the Air Force plans to modify 72 with certain capabilities, all 95 with other enhancements and only 50 for other improvements. Second, the Committee questions the creation of an attrition reserve, believing that limited total resources will relegate these aircraft to hangar queen status rendering them ultimately useless.

The primary concern of the Committee is its belief that neither Congress nor the Defense Department has sufficient information to determine the required and most cost-effective bomber force structure. The Committee notes that several aerospace firms have conducted detailed research to measure the warfighting effectiveness of the planned Air Force fleet and most have found it wanting. A recent RAND analysis indicates that a force of 38 B-2's and 40 B-52's would provide a roughly comparable force in effectiveness to a fleet of 20 B-2's, 60 B-1B's and 40 B-52's, but would have more flexibility to meet two MRC's, and would be

SEO NO.: 022-10P

easier to employ operationally. The Committee notes the warfighting success of stealth fighters in Operation Desert Storm, using little ancillary support, and concludes that a cost-effectiveness analysis of all the alternatives could demonstrate that the overall capability of the stealthy B-2 overrides its high acquisition costs.

So too, the acquisition of a new conventional cruise missile for the B-1B might eliminate the need for this aircraft to penetrate hostile airspace, and, thereby, nullify the requirement to attempt to improve its fatally flawed electronic countermeasures systems. The cost effectiveness of this approach should be measured.

The Committee believes that the Air Force should refrain from taking any action which would prejudice the bomber force structure until a cost and operational effectiveness analysis can be completed which identifies the most cost-effective bomber force which can meet the two MRC objective. Therefore, the Committee directs the Office of the Secretary of Defense to contract with an outside entity, such as the Institute for Defense Analyses, to conduct such an analysis.

The analysis should focus on the total life cycle cost of all of the bomber programs, and measure different force levels of each program on its ability to meet the two MRC requirement. In discussing the life cycle cost, the study should include the costs associated with the support units-including fighter escorts, electronic warfare aircraft, and other such ancillary requirements-which would need to be acquired or upgraded, and operated and maintained to support the bombers in warfighting scenarios.

The Committee expects that the Defense Department can complete such a study in time for the congressional budget cycle for fiscal year 1996. In conjunction with this request, the Committee recommends inclusion of a general provision which would restrict the obligation of procurement and research and development funds for upgrading and modifying the bomber fleet until the report has been concluded.

The prohibition on the use of funds for new initiatives for bomber programs shall not apply to the administrative preparations for entering into the phase 2B contract for engineering and manufacturing development of the near precision weapons (joint direct attack munition and associated modifications) capabilities for the B-1B bomber under the B-1B Conventional Mission Upgrade Program. The permitted activities are issuing a request for proposal for this contract by the Air Force and discussions between the Air Force and potential contractors to define the cost, schedule, and scope of the work to be accomplished under the phase 2B contract.

SAC, p. 186-187

Bomber modernization funds.-The Committee recommendations fully fund the request for bomber modification and modernization programs. The bill which the Committee recommends to the Senate includes language which restricts the obligation of these funds until the requested bomber cost and operational effectiveness report has been submitted to Congress.

**SAC**, p. 187

**APPN CONF:** 

Amendment No. 213: Inserts Senate language that prohibits the use of funds to retire any B-52H, B-1B or F-111 bomber aircraft, inserts a new provision prohibiting the transfer of funds available to the Department of Defense and the Central Intelligence Agency for drug interdiction or counter-drug activities to any other department or agency of the United States except as specifically provided in an appropriations law, inserts a new provision to provide additional funds to the Asia Foundation, rescinds funds for the Department of State's Contributions to International Organization account and appropriates \$192,000,000 for salaries and expenses for the Securities and Exchange Commission contingent upon the enactment of legislation regarding fee collections, inserts a new provision on procurement reform reductions, inserts a new provision providing for the transfer of \$500,000,000 from "Operation and Maintenance, Defense-Wide" to other operation and maintenance accounts.

Appn Conf, p. 169-170 (Gen Prov)

SEQ NO.: 022-10P

TITLE: F-117 APPROP: 3010

				<u>AUTH</u>	<u>APP</u>			
	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>	
DOLLARS:	\$11,190	11,190	11,190	11,190	11,190	11,190	11,190	

QUANTITY:

HAC:

# TACTICAL AIRCRAFT TACTICAL AIRCRAFT MODERNIZATION

The Committee is concerned that there has been no comprehensive assessment, including the Bottom Up Review, of Air Force interdiction and multi-role aircraft which serve as a complement to the long range heavy bomber fleet. While robust modernization plans for the bomber and air superiority fleets proceed, the Department of Defense has yet to present a viable strategy to address future modernization requirements for its strike and multi-role aircraft forces. Accordingly the Committee directs the Secretary of Defense to provide a report on its modernization plans for the strike and multi-role tactical air force structure (i.e. F-111, F-117, F-15E, and F-16) by May 1, 1995. The report should address at a minimum:

- 1. The problems of near term F-16C/D and F-15E attrition shortfalls.
- 2. Modification plans to modernize the existing strike and multi-role fleets to maximize their combat effectiveness.
- 3. Plans to preserve the national capability to produce strike and multi-role fighter aircraft.
- 4. Alternatives if the JAST program fails to yield an affordable multi-role platform.

HAC, p. 175

********	水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水水						*****		
TITLE: F-15		APPROP:	3010						
				<u>AUTH</u>			<u>APPN</u>		
	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>		
DOLLARS:	\$201,100	201,100	201,100	201,100	186,100	201,100	186,100		
QUANTITY:									

HAC:

# TACTICAL AIRCRAFT TACTICAL AIRCRAFT MODERNIZATION

The Committee is concerned that there has been no comprehensive assessment, including the Bottom Up Review, of Air Force interdiction and multi-role aircraft which serve as a complement to the long range heavy bomber fleet. While robust modernization plans for the bomber and air superiority fleets proceed, the Department of Defense has yet to present a viable strategy to address future modernization requirements for its strike and multi-role aircraft forces. Accordingly the Committee directs the Secretary of Defense to provide a report on its modernization plans for the strike and multi-role tactical air force structure (i.e. F-111, F-117, F-15E, and F-16) by May 1, 1995. The report should address at a minimum:

- 1. The problems of near term F-16C/D and F-15E attrition shortfalls.
- 2. Modification plans to modernize the existing strike and multi-role fleets to maximize their combat effectiveness.
- 3. Plans to preserve the national capability to produce strike and multi-role fighter aircraft.
- 4. Alternatives if the JAST program fails to yield an affordable multi-role platform.

HAC, p. 175

F-15

The Air Force budgeted \$201,100,000 for the F-15 modification program. The Committee recommends \$186,100,000, a reduction of \$15,000,000 to the fiscal year 1995 budget request. The Committee believes that significant prior year unobligated balances may be used to execute the fiscal year 1995 modification program and makes this recommendation without prejudice.

HAC, p. 175

#### APPN CONF:

# F-15 MODIFICATIONS

The conferees concur with the recommendation of the House to reduce funding for F-15 modifications by \$15,000,000 because of low obligations. The conferees note that the Air Force had obligated less than one-third of the fiscal year 1994 funds provided for global positioning system (GPS) modifications through July and was unable to provide a monthly obligation plan for GPS delineating when the remaining funds would be obligated.

Appn Conf, p. 96

SEO NO.: 026-10P

TITLE: F-16 APPROP: 3010

<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	APPN CONF
\$157,227	157,227	120,527	120,527	157,227	98,227	110,727

QUANTITY:

DOLLARS:

# **SASC:**

F-16 modifications

The budget request included \$157.2 million dollars for various modifications for F-16 aircraft. The committee understands that the budget request can be reduced by \$36.7 million. The Air Force has canceled one planned modification, and the costs of two others are less than previously estimated. Therefore, the committee recommends \$120.5 million.

**SASC**, p. 40

HAC:

# TACTICAL AIRCRAFT TACTICAL AIRCRAFT MODERNIZATION

The Committee is concerned that there has been no comprehensive assessment, including the Bottom Up Review, of Air Force interdiction and multi-role aircraft which serve as a complement to the long range heavy bomber fleet. While robust modernization plans for the bomber and air superiority fleets proceed, the Department of Defense has yet to present a viable strategy to address future modernization requirements for its strike and multi-role aircraft forces. Accordingly the Committee directs the Secretary of Defense to provide a report on its modernization plans for the strike and multi-role tactical air force structure (i.e. F-111, F-117, F-15E, and F-16) by May 1, 1995. The report should address at a minimum:

- 1. The problems of near term F-16C/D and F-15E attrition shortfalls.
- 2. Modification plans to modernize the existing strike and multi-role fleets to maximize their combat effectiveness.
- 3. Plans to preserve the national capability to produce strike and multi-role fighter aircraft.
- 4. Alternatives if the JAST program fails to yield an affordable multi-role platform.

HAC, p. 175

# TER-9A EJECTION RACK

The Committee is concerned that appropriations provided in the fiscal year 1994 Defense Appropriations Bill for the TER-9A ejection rack program have not been obligated in a timely manner. This program is designed to correct a safety problem with the bomb racks on the F-16 and generate substantial cost-

savings through increased reliability and maintainability. The Committee therefore directs the Department of the Air Force to proceed expeditiously with this program.

**HAC**, p. 176

#### SAC:

F-16 modifications.-The Committee recommends \$98,227,000 for modifications for F-16 aircraft, a reduction of \$59,000,000 from the budget request. The Committee recommends the lower amount noting delays in the ALE-47 chaff and flare dispensing system, the advance radar warning receiver, and the digital engine control programs.

Last year, the Congress provided \$4,500,000 in the Other Production Charges Program for the Air Force to purchase replacement bomb ejector racks. Even though the Air Force has tested the system and recognized the requirement to proceed, it has not yet followed the direction to initiate this program. Therefore, the Committee directs the Air Force contract to acquire this capability expeditiously and report back to it by March 1, 1995, on its progress. Furthermore, the Committee directs that the Air Force refrain from obligating any funds appropriated in fiscal year 1995 for the F-16 Program until the contract has been awarded.

**SAC**, p. 189

# **APPN CONF:**

#### F-16 MODIFICATIONS

The conferees recommend \$110,727,000 for F-16 modifications. The agreement reduces funds for the ALE-47 and digital engine control modifications, as recommended by the Senate. The conferees agree to restore \$12,500,000 of the \$30,000,000 reduced by the Senate for the Advanced Radar Warning Receiver. Information provided to the conferees indicates that a portion of the Advanced RWR funds are required to continue the program from June of 1995 until the beginning of fiscal year 1996.

Appn Conf, p. 96

SEQ NO.: 027-10P

TITLE: F-111 APPROP: 3010

<u>APPN</u>			<u>AUTH</u>			
<u>CONF</u>	SAC	<u>HAC</u>	<u>CONF</u>	SASC	<u>HASC</u>	<u>PBR</u>
5.012	5.012	5.012	5.012	5.012	5.012	\$5.012

**OUANTITY**:

DOLLARS:

# **AUTH CONF:**

Retirement of bomber aircraft (sec. 134)

The Senate bill contained a provision (sec. 132) that would prohibit retirement of any B-52, B-1B, or F-111 aircraft during fiscal year 1995, and contained \$18.0 million in operation and maintenance funds to retain additional B-52H aircraft in attrition reserve status.

The House amendment contained no similar provision.

The House recedes and agrees to the inclusion of \$18.0 million in operation and maintenance funds to retain B-52 bombers.

Auth Conf, p. 553

HAC:

# TACTICAL AIRCRAFT TACTICAL AIRCRAFT MODERNIZATION

The Committee is concerned that there has been no comprehensive assessment, including the Bottom Up Review, of Air Force interdiction and multi-role aircraft which serve as a complement to the long range heavy bomber fleet. While robust modernization plans for the bomber and air superiority fleets proceed, the Department of Defense has yet to present a viable strategy to address future modernization requirements for its strike and multi-role aircraft forces. Accordingly the Committee directs the Secretary of Defense to provide a report on its modernization plans for the strike and multi-role tactical air force structure (i.e. F-111, F-117, F-15E, and F-16) by May 1, 1995. The report should address at a minimum:

- 1. The problems of near term F-16C/D and F-15E attrition shortfalls.
- 2. Modification plans to modernize the existing strike and multi-role fleets to maximize their combat effectiveness.
- 3. Plans to preserve the national capability to produce strike and multi-role fighter aircraft.
- 4. Alternatives if the JAST program fails to yield an affordable multi-role platform.

**HAC**, p. 175

#### APPN CONF:

Amendment No. 213: Inserts Senate language that prohibits the use of funds to retire any B-52H, B-1B or F-111 bomber aircraft, inserts a new provision prohibiting the transfer of funds available to the Department of Defense and the Central Intelligence Agency for drug interdiction or counter-drug activities to any other department or agency of the United States except as specifically provided in an appropriations law, inserts a new provision to provide additional

funds to the Asia Foundation, rescinds funds for the Department of State's Contributions to International Organization account and appropriates \$192,000,000 for salaries and expenses for the Securities and Exchange Commission contingent upon the enactment of legislation regarding fee collections, inserts a new provision on procurement reform reductions, inserts a new provision providing for the transfer of \$500,000,000 from "Operation and Maintenance, Defense-Wide" to other operation and maintenance accounts.

Appn Conf, p. 169-170 (Gen Prov)

SEQ NO.: 029-10P

TITLE: C-5 APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>
PBR	<u>HASC</u>	SASC	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>
\$28.715	5 28.715	28.715	28.715	28.715	28.715	28.715

QUANTITY:

DOLLARS:

# **AUTH CONF:**

Evaluation of restart of C-5B aircraft procurement (sec. 135)

The House amendment contained a provision (sec. 134) that would require the Secretary of the Air Force to evaluate the costs of restarting production of C-5B aircraft for the strategic airlift mission, and to submit a report to the congressional defense committees on the evaluation.

The Senate bill contained no similar provision.

The Senate recedes.

**Auth Conf, p. 553-4** 

TITLE: C-22 APPROP: 3010

<u>APPN</u>			<u>AUTH</u>			
<u>CONF</u>	SAC	<u>HAC</u>	<u>CONF</u>	<u>SASC</u>	<u>HASC</u>	<u>PBR</u>
5 108	5 108	5 108	5 108	5 108	5 108	\$5 108

QUANTITY:

DOLLARS:

# SAC:

Aging airlift replacement.-The National Guard currently operates four aging C-22B aircraft, which support National Guard missions worldwide. These aircraft must be retired soon, due to increasing operating costs, failure to meet stage 3 noise limitations and aircraft age. The Committee urges the Air Force and the Air National Guard to evaluate replacement of these limited capability aircraft with multiconfigured C-20G aircraft. The Guard could sustain the existing mission requirement with just two C-20G aircraft, versus the four C-22B jets. The National Guard could realize savings of up to \$3,000,000 annually with each two-for-one replacement of the C-22B. The Committee requests the Director of the Air National Guard to provide the Committee a comparison of operating costs, mission range, and cargo carriage between the C-20G and the C-22B.

**SAC**, p. 190

TITLE: C-141 APPROP: 3010

<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>AUTH</u> <u>CONF</u>	<u>HAC</u>	SAC	<u>APPN</u> <u>CONF</u>
\$14.506	14.506	14.506	14.506	14.506	10.471	14.506

QUANTITY:

DOLLARS:

#### SAC:

C-141 modifications.-The Committee recommends \$10,471,000 for C-141 modifications instead of \$14,506,000 as requested and recommended by the House. The allowance reduces funds for the airlift defensive systems based on testing delays as identified by the General Accounting Office.

SAC, p. 189

SEQ NO.: 039-10P

TITLE: C-20 MODS APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>
\$6.465	6.465	6.465	6.465	6.465	6.465	6.465

QUANTITY:

DOLLARS:

# SAC:

Aging airlift replacement.-The National Guard currently operates four aging C-22B aircraft, which support National Guard missions worldwide. These aircraft must be retired soon, due to increasing operating costs, failure to meet stage 3 noise limitations and aircraft age. The Committee urges the Air Force and the Air National Guard to evaluate replacement of these limited capability aircraft with multiconfigured C-20G aircraft. The Guard could sustain the existing mission requirement with just two C-20G aircraft, versus the four C-22B jets. The National Guard could realize savings of up to \$3,000,000 annually with each two-for-one replacement of the C-22B. The Committee requests the Director of the Air National Guard to provide the Committee a comparison of operating costs, mission range, and cargo carriage between the C-20G and the C-22B.

**SAC**, p. 190

TITLE: C-130 APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	<u>SAC</u>	<u>CONF</u>
\$77.041	77.041	77.041	77.041	77.041	73.541	77.041

QUANTITY:

DOLLARS:

# **SASC:**

C-130 tactical airlift modernization

Last year, the committee was made aware of a proposal by the C-130 contractor team to develop a follow-on C-130 aircraft, called the "C-130J." The goals of this C-130J upgrade would be improved performance and reduced operating and support costs.

The committee has expressed its concerns about tactical airlift modernization on numerous occasions. The committee was interested in the C-130J proposal, but asked the Air Force to develop more information about the proposal. Although the Air Force has not provided the report, the committee understands that the Air Force finds the proposal an attractive alternative for modernizing active tactical airlift squadrons. The committee received testimony from the Commander of the Air Combat Command indicating that the Air Force was very interested in this aircraft to modernize the fleet.

The committee understands that the Department of Defense has approved a proposal to use fiscal year 1994 Guard and Reserve procurement funds to procure 2 C-130Js, and deliver these aircraft to the active Air Force. Under this proposal, the active Air Force would, in turn, transfer two C-130Hs purchased with fiscal year 1993 funds directly to the Air National Guard from among those scheduled to be delivered to the Air Force in mid-1994. The committee understands that these two aircraft would be used in the testing program and would help lead to FAA certification of the configuration that the Air Force would want to buy.

The committee believes that the Department should implement such an arrangement, based on the preliminary reports from the Air Force and the Air Combat Command. This is the first positive sign in a couple of years that the Air Force and the Department may be seriously considering the plight and overdue modernization of the active component of our tactical airlift forces.

**SASC**, p. 39

#### SAC:

C-130 modifications.-The omnibus reprogramming request reduces funds for the compass call modification by \$4,500,000 leaving \$3,500,000 in the program. The Committee recommends \$73,541,000 for C-130 modifications, a reduction of \$3,500,000 from the budget request and the House allowance noting the remaining excess funds from the compass call modification.

**SAC**, p. 189

TITLE: C-135 APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>
<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>
\$103 440	107 440	86 740	60 940	77 640	71 740	77 640

QUANTITY:

DOLLARS:

# **SASC:**

C-135 modifications

The budget request included \$103.4 million to perform various modifications to the fleet of C-135 aircraft. Included within these funds were \$16.7 million designated for making various communications and electronics upgrades that will not be ready for contract award until fiscal year 1996. The committee recommends \$86.7 million for C-135 modifications.

**SASC**, p. 40

# **AUTH CONF:**

Multipoint refueling modifications

The budget request contained \$25.8 million for making multipoint refueling modifications to KC-135 tanker aircraft.

The Senate bill would delete these funds, based on information that the Air Force had canceled the program.

The House amendment would authorize the requested amount for multipoint modifications.

The conferees are concerned by the slow progress in providing multipoint refueling capability for Air Force KC-135 tanker aircraft. The conferees recently learned of a relatively inexpensive French modification program carried out in the United States to provide multipoint refueling for French KC-135 tankers. Therefore, the conferees encourage the Secretary of Defense to establish an aerial refueling initiative to consider a commercial program for KC-135 multipoint refueling.

To ensure that interoperability and low cost solutions are considered, the initiative should be administered with the oversight of the Under Secretary of Defense for Acquisition and Technology, relying on advice and support from Air Force and Navy representatives.

Because multipoint refueling provides relatively more improvements for Navy aircraft, the conferees agree to provide the fiscal year 1995 funds to the Navy. The conferees recommend \$25.8 million for this initiative in the aircraft procurement, Navy account. The conferees understand that the initiative is included in the Future Years Defense Program and applaud the Secretary's interoperability initiatives.

Auth Conf, p. 496 (Navy A/C Proc)

HAC:

C-135

The Air Force budgeted \$103,440,000 for the C-135 modification program. The Committee recommends \$77,640,000, a reduction of \$25,800,000 to the fiscal year 1995 budget request. The Committee makes this recommendation without prejudice noting that the Air Force has terminated the KC-135 Multipoint Receptacle Improved Aerial Refueling System modification program subsequent to the submission of the fiscal year 1995 budget request.

HAC, p. 175

# GROUND COLLISION AVOIDANCE SYSTEMS (GCAS)

For the past several years the Committee has been supportive of the requirement to acquire Ground Collision Avoidance Systems (GCAS) for Air Force aircraft. The Air Force has yet to comply with prior Congressional direction to initiate procurement of commercially available, standardized GCAS systems for the C-135 aircraft. The Committee urges the Air Force to immediately develop a competitive acquisition strategy which leads to a contract award for the GCAS systems before the end of fiscal year 1994.

It is the Committee's understanding that if such an award is not made in the suggested timeframe, prior year appropriations for the GCAS system will expire. In such an eventuality, the Committee directs the Department of the Air Force to use existing "Aircraft Procurement, Air Force" funds to initiate procurement of the GCAS for the C-135 aircraft.

# **HAC**, p. 176

#### SAC:

C-135 modifications.-The Committee recommends \$71,740,000 for C-135 modifications, a reduction of \$31,700,000 from the budget request and the same as the amount authorized by the Senate. The Committee recommends that the Air Force reduce funding for the Multipoint Refueling Program due to delays in executing that program and consider delaying the common radar modification to achieve this reduction.

The Committee directs that none of the reduction shall be assessed against the follow-on refueling recepticles kits contained in the budget request. The funds for the first kit-proofing recepticle set have been transferred to the "RDT&E, Air Force" appropriations account.

The Committee reduces the funds sought for the multipoint refueling project because it understands they are premature until sufficient RDT&E has been accomplished to provide a firm foundation for this high priority activity. The Committee added funds in the "RDT&E, Air Force" appropriations account to provide such a foundation for this project, so that it will be ready for procurement as soon as possible in the future.

**SAC, p. 189** 

# **APPN CONF:**

SEQ NO.: 049-10P

# C-135

The conferees agree to provide \$77,640,000 for modifications to C-135 aircraft, \$25,800,000 below the budget request and the same level as recommended by the House. The reduction is made without prejudice to any specific C-135 modification. It is the conferees' belief that top priority should be given to the upgrade of the KC-135 radar system and the conferees urge the Air Force to proceed with this program utilizing funds provided herein.

Appn Conf, p. 96-97

SEQ NO.: 049-10P

I-66

TITLE: E-4 APPROP: 3010

		AUTH					
	<u>PBR</u>	<u>HASC</u>	<u>SASC</u>	<u>CONF</u>	<u>HAC</u>	SAC	<u>CONF</u>
DOLLARS:	\$35.230	25.230	35.230	35.230	25.230	35.230	35.230

# QUANTITY:

#### HASC

E-4 National Emergency Airborne Command Post

The budget request contained \$35.2 million for modification of E-4 aircraft for fiscal year 1995.

The committee recommends an authorization of \$25.2 million and directs the Secretary of Defense to transmit a report to the congressional defense committees on the E-4 role and justification in the post-Cold War era and on possible additional missions the E-4 might perform in addition to the current mission.

# **HASC**, p. 55

# **AUTH CONF:**

E-4 procurement

The budget request contained \$35.2 million for modification of E-4 command post aircraft.

The Senate bill would authorize the requested amount.

The House amendment would reduce the requested amount by \$10.0 million and would require a report on possible additional missions for the E-4 in the post-Cold War era.

The conferees agree to authorize the requested amount, but limit the obligation of \$10.0 million until the Secretary of Defense submits the report called for in the House report (H. Rept. 103-499).

Auth Conf, p. 522

TITLE: WAR CONSUMABLES APPROP: 3010

<u>PBR</u>	<u>HASC</u>	SASC	AUTH CONF	<u>HAC</u>	SAC	APPN CONF
\$26,587	18,587	26,587	24,587	18,587	205,587	18,587

QUANTITY:

DOLLARS:

HAC:

# COMMITTEE RECOMMENDATIONS

# **AUTHORIZATION CHANGES**

The Committee recommends the following changes to the budget request in accordance with House authorization action:

Item	Budget request	Committee recommended	Change from request
Tanker, transport, trainer system	155,163	145,163	-10,000
War consumables	26,587	18,587	-8,000
		I	HAC, p. 172

TITLE: OTHER PRODUCTION CHARGES APPROP: 3010

			<u>AUTH</u>			<u>APPN</u>
<u>PBR</u>	<b>HASC</b>	<u>SASC</u>	<b>CONF</b>	<u>HAC</u>	SAC	<b>CONF</b>
\$259,467	259,467	259,467	203,733	259,467	239,437	239,437

QUANTITY:

DOLLARS:

# SAC:

Other production charges.-The Committee recommends \$239,437,000 for other production charges, a reduction of \$20,030,000 from the budget request and House allowance. The Air Force has identified \$15,600,000 of EF-111 System Improvement Program funds which are not needed in the Other Production Charges Program. The remaining reduction of \$4,430,000 is a classified adjustment.

SAC, p. 189-190

SEQ NO.: 061-10P